

CAS 2025/A/11503 Real Monarchs Football Club v. Potenza Calcio S.r.l. & Federation Internationale de Football Association (FIFA)

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Prof. Dr. Martin Schimke, Attorney-at-law in Düsseldorf, Germany

in the arbitration between

Real Monarchs Football Club, Sandy, Utah, United States of America

Represented by Mr. Salvatore Civale, Studio Civale Sports Law Firm, Nocera Inferiore, Italy

Appellant

and

Potenza Calcio S.r.l., Potenza, Italy

Represented by Mr. Paolo Lombardi and Mr. Luca Pastore, Lombardi Associates, Edinburgh, United Kingdom

First Respondent

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

Represented by Mr. Miguel Liétard Fernández-Palacios, Director of Litigation

Second Respondent

with the intervention of

Real Salt Lake, Sandy, Utah, United States of America

Represented by Mr. Roberto Terenzio, Studio Legale Terenzio, Rende, Italy

Intervening Party

I. PARTIES

1. Real Monarchs Football Club (the “Appellant” or “Real Monarchs”) is a professional football club with its registered offices in Sandy, Utah, United States of America. Real Monarchs plays in the MLS NEXT Pro league (the third tier of professional football in the USA) and is registered with the United States Soccer Federation (“USSF”), which in turn is affiliated to the *Fédération Internationale de Football Association*.
2. Potenza Calcio S.r.l. (the “First Respondent” or “Potenza”) is a professional football club with its registered offices in Potenza, Italy. Potenza is affiliated to the *Federazione Italiana Giuoco Calcio* (“FIGC”), which in turn is affiliated to the *Fédération Internationale de Football Association*.
3. The *Fédération Internationale de Football Association* (the “Second Respondent” or “FIFA”) is the international governing body of football with its registered offices in Zurich, Switzerland.
4. Real Salt Lake (the “Intervening Party” or “Real Salt Lake”) is a professional football club with its registered office in Sandy, Utah, USA. Real Salt Lake is registered with the USSF and plays in Major League Soccer (“MLS”), which is the professional football league governing the highest division of football in the USA and Canada, with its registered offices in New York, USA.
5. Where appropriate, the Appellant, the First Respondent, the Second Respondent and the Intervening Party will be jointly referred to as the parties to the dispute (the “Parties”).

II. INTRODUCTION

6. These proceedings before the Court of Arbitration for Sport (“CAS”) concern a dispute regarding the liability of the Appellant and/or the Intervening Party to pay training compensation to the First Respondent in respect of the registration of the professional football player Mr. Gennaro Michael Nigro (the “Player”).
7. In particular, these proceedings concern an appeal brought by the Appellant against a decision of the FIFA Football Tribunal Dispute Resolution Chamber (the “FIFA DRC”) dated 17 April 2025 (the “Appealed Decision”), finding (*inter alia*) that the First Respondent is owed the amount of USD 52,459 as training compensation plus 5% interest *per annum* on that amount, as from 30 September 2022 until the date of effective payment.

III. FACTUAL BACKGROUND

8. Below is a summary of the main relevant facts and allegations based on the Parties’ oral and written submissions, pleadings and evidence adduced in the course of the present proceedings. Additional facts and allegations found in the Parties’ written submissions, pleadings and evidence may be set out, where relevant, in connection with the further legal discussion. While the Sole Arbitrator has considered all the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, he refers in

this Arbitral Award only to the submissions and evidence he considers necessary to explain his reasoning.

A. Background facts

9. The Player, born on 29 May 2000, is a professional football player holding United States nationality.
10. According to the FIGC player passport, the Player was registered with A.S. Roma (Italy), first as an amateur from 8 August 2018 to 30 June 2019, and subsequently as a professional from 25 July 2019 until 7 September 2020.
11. On 8 September 2020, the Player was registered with Potenza as a professional player. The Player remained registered with Potenza until 30 June 2022. During this period, the Player was between the ages of 20 and 22 years old.
12. On or around 19 August 2022, the Player signed an employment contract with Real Monarchs, to commence on 31 August 2022.
13. On 26 August 2022, the USSF requested the International Transfer Certificate (“ITC”) for the Player from the FIGC via the FIFA Transfer Matching System (“TMS”). The request was made on behalf of Real Salt Lake. The TMS transfer record (Reference No. 566213) documents an instruction on this date of “*engage out of contract free of payment*” transfer, with Real Salt Lake listed as the “*instructing club*” and Potenza listed as the “*counter club*”. The ITC was delivered on 30 August 2022, and received by Real Salt Lake on 31 August 2022.
14. On 31 August 2022, the Player was registered with Real Monarchs/Real Salt Lake. The TMS player data lists the Player as assigned to the club “*Real Salt Lake*” (Club ID 1492, association USSF).
15. On 1 September 2023, the Player was loaned from Real Salt Lake to ADO Den Haag (Netherlands). The loan agreement identified Real Salt Lake as the lending club. The Dutch football association’s (KNVB) player passport documents the loan period as running from 1 September 2023 to 22 February 2024, with the Player registered “*on loan from Real Salt Lake*”.
16. On 22 February 2024, the Player returned from loan to Real Salt Lake (as documented by the ITC delivery “*to USSF - Real Salt Lake (return from loan)*”).
17. On 23 February 2024, the Player’s employment relationship with Real Monarchs/Real Salt Lake was terminated by mutual agreement.

B. Proceedings before FIFA

18. On 25 September 2024, Potenza filed a claim for training compensation against Real Salt Lake before the FIFA DRC. The claim was registered under reference number TMS 14656.

19. In its claim, Potenza sought payment of training compensation in the amount of USD 52,459, plus 5% interest per annum as from the date the claim was lodged.
20. In substantiating its claim, Potenza argued that the Player was registered with Potenza as a professional from 8 September 2020 to 30 June 2022, and was subsequently registered with Real Salt Lake on 31 August 2022. Potenza contended that training compensation was due pursuant to Article 20 of the FIFA Regulations on the Status and Transfer of Players, July 2022 version (the “FIFA RSTP”) and Annex 4 thereof, and should be calculated based on the training costs of a CONCACAF Category II club.
21. On 8 October 2024, the FIFA DRC opened the above-mentioned case and invited Real Salt Lake to submit its response.
22. In its response dated 28 October 2024, Real Salt Lake argued (*inter alia*) that: (i) the actual employing club was Real Monarchs, a separate legal entity from Real Salt Lake, and the Player’s employment contract was with Real Monarchs; (ii) Potenza had waived its entitlement to training compensation through communications by Mr. Vincenzo D'Ambrosio, General Secretary of Potenza, prior to the Player’s registration; (iii) the Player had completed his training before joining Potenza, having been registered as a professional with A.S. Roma and other clubs prior to his registration with Potenza; and (iv) if training compensation were found to be due, Real Monarchs should be categorised as a Category IV club (or at most Category III), as Real Monarchs competes in the MLS NEXT Pro, effectively the third division of professional football in the United States, not in the MLS.
23. On 21 November 2024, Potenza filed its reply, disputing Real Salt Lake’s arguments and maintaining its claim for training compensation. Potenza argued that Real Monarchs and Real Salt Lake are the same club for the purposes of the FIFA RSTP, that no valid waiver had occurred, and that the club should be categorised as a Category II club.
24. On 2 December 2024, Real Salt Lake filed further submissions, responding to Potenza's reply and reiterating its position.
25. On 17 April 2025, the FIFA DRC rendered the Appealed Decision. In the Appealed Decision, the FIFA DRC ordered as follows:
 - “1. The claim of the Claimant, POTENZA CALCIO S.R.L., is accepted.
 2. The Respondent, Real Salt Lake, has to pay to the Claimant the amount of USD 52,459.00 as training compensation plus 5% interest p.a. on that amount, as from 30 September 2022 until the date of effective payment.
 3. Full payment (including all applicable interest) shall be made to the bank account indicated in the enclosed Bank Account Registration Form.
 4. Pursuant to article 24 of the Regulations on the Status and Transfer of Players is full payment (including all applicable interest) is not paid 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 three entire and consecutive registration periods.*
2. *The present matter shall be submitted, upon request, to the FIFA Disciplinary Committee in the event that full payment (including all applicable interest) is still not paid by the end of the three entire and consecutive registration periods.*

[...]

5. *The consequences shall only be enforced at the request of the Claimant in accordance with article 24 paragraphs 7 and 8 and article 25 of the Regulations on the Status and Transfer of Players.*
 6. *The final costs of the proceedings in the amount of USD 8,000.00 are to be paid by the Respondent to FIFA reference to case no. TMS 14656 (cf. note relating to the payment of the procedural costs below)."*
26. On 19 May 2025, the FIFA DRC notified the parties of the grounds of the Appealed Decision. In its reasoning, the FIFA DRC found (*inter alia*) that: (i) Real Monarchs and Real Salt Lake are to be considered as the same club for the purposes of the FIFA RSTP, based on their shared ownership, management, training facilities, medical staff, administrative staff, and common TMS account; (ii) the alleged waiver of training compensation was not sufficiently proven; (iii) the argument that the Player had completed his training before joining Potenza was not sufficiently substantiated; (iv) the Respondent should be categorised as a Category II club for the calculation of training compensation.
 27. The FIFA DRC calculated the training compensation as follows: training costs of USD 40,000 per year for a CONCACAF Category II club, pro-rated over 479 days (representing the period from 8 September 2020 until 30 June 2022, adjusted to account for the training compensation calculation methodology), resulting in a total amount of USD 52,459.

IV. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

28. On 7 June 2025, the Appellant filed a Statement of Appeal pursuant to Article R48 of the Code of Sports-related Arbitration (the "CAS Code") (2023 edition) against the Appealed Decision. The Appellant requested the case to be heard by a sole arbitrator.
29. On 12 June 2025, the CAS Court Office informed the Respondents and the Intervening Party that the Appellant had initiated arbitration proceedings. On the same date, the CAS Court Office invited the Intervening Party to inform the CAS Court Office by 22 June 2025 whether it wished to make an application to intervene in the present arbitration proceedings as a party.

30. On 13 June 2025, the Second Respondent requested to be excluded from the proceedings and contested the Appellant's standing to bring the present appeal.
31. On 16 June 2025, the First Respondent contested the Appellant's standing to bring the present appeal and requested the dismissal of the proceedings.
32. On 23 June 2025, the Intervening Party filed an application for intervention in the proceedings, requesting to participate as a party. The Appellant supported the Intervening Party's application for intervention, while the First Respondent opposed such intervention.
33. On 16 July 2025, the Appellant submitted its Appeal Brief pursuant to Article R51 of the CAS Code.
34. On 17 July 2025, the CAS Court Office informed the parties that the President of the CAS Appeals Arbitration Division had decided that the case would be heard by a sole arbitrator. On the same date, the CAS Court Office communicated to the Parties that the President of the CAS Appeals Arbitration Division had granted the Intervening Party's application for intervention, without prejudice to the decision of the sole arbitrator on the same matter, once constituted. Pursuant to Article R41.4(5) of the CAS Code, it would be for the sole arbitrator, once constituted, to determine the status of the Intervening Party and its rights in the procedure.
35. On the same date, the CAS Court Office invited the Respondents to file their respective Answers to the Appeal Brief within 20 days of receipt of the notification by email.
36. On 6 October 2025, the First Respondent filed its Answer within the prescribed time limit, pursuant to Article R55 of the CAS Code.
37. On 7 October 2025, the CAS Court Office informed the Parties that, pursuant to Article R54 of the CAS Code, and of behalf of the President of the CAS Appeals Arbitration Division, the arbitral tribunal appointed to hear the present appeal was constituted as follows:

Sole Arbitrator: Prof. Dr. Martin Schimke, Attorney-at-law in Düsseldorf, Germany

38. On 13 October 2025, the Second Respondent informed the CAS Court Office that it would not be actively participating in the proceedings and would refrain from attending any hearing in the matter.
39. On 23 October 2025, the CAS Court Office, on behalf of the Sole Arbitrator and pursuant to Article R57 of the CAS Code, invited the Second Respondent to provide CAS with a copy of the complete case file related to the Appealed Decision by 30 October 2025, and to provide copies of the decisions issued by the FIFA DRC in cases TMS 9733 and TMS 9736.
40. On 30 October 2025, FIFA provided the CAS Court Office with a copy of the complete case file for the Appealed Decision, as well as a copy of the requested FIFA DRC decisions in cases TMS 9733 and TMS 9736.

41. On 6 November 2025, the CAS Court Office informed the Parties that the Sole Arbitrator had decided to convene a case management conference (“CMC”) by videoconference, and that the CMC would address the Intervening Party’s procedural position and status, and the scheduling of an online hearing.
42. On 13 November 2025, the Second Respondent reiterated that it would not attend the CMC, but objected to the Intervening Party’s intervention, noting that the Appellant is a separate legal entity from the Intervening Party and therefore a third party to the Appealed Decision, and that the Intervening Party, having not appealed within the prescribed deadline, is precluded from challenging the Appealed Decision and should not be considered as having any procedural position or status in the matter.
43. A CMC was held by video-conference on 3 December 2025.
44. On 11 December 2025, the CAS Court Office, on behalf of the Sole Arbitrator, informed the Parties that the Sole Arbitrator assumed that no agreement could be reached between the Parties on the question of the Intervening Party’s intervention, and that the Sole Arbitrator would now carefully review the Intervening Party’s motion to intervene and decide in due course.
45. On 15 December 2025, the CAS Court Office, in view of the Parties’ availabilities and on behalf of the Sole Arbitrator, confirmed that the hearing would be held by video-conference (via Cisco Webex) on 3 March 2026 at 9:30 CET.
46. On 20 January 2026, the CAS Court Office, on behalf of the Sole Arbitrator, informed the Parties that, pursuant to Article R41.4 of the CAS Code, the Intervening Party’s application for intervention was granted, and that the Intervening Party shall have the status of an “Intervening Party” in the present arbitration. The Intervening Party was invited to file a written submission on the merits by 3 February 2026, and the Parties would be granted the opportunity to comment in writing on such submission before the hearing.
47. On 3 February 2026, the Intervening Party filed its written submission.
48. On 18 February 2026, the Appellant and the First Respondent filed their comments on the Intervening Party’s submission.
49. On 3 March 2026, a hearing was held by way of videoconference, which was attended by the Sole Arbitrator, Ms Delphine Deschenaux-Rochat, CAS Counsel, and the following representatives of the Parties:

For the Appellant:	Mr Salvatore Civale, Counsel Ms Elena Raccagni, Counsel Mr Robert Jeffrey Caldwell, Witness Mr Mario Di Marco, Witness
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For the First Respondent:	Mr Paolo Lombardi, Counsel Mr Luca Pastore, Counsel
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Ms Emily Anne Williams, Counsel
Mr Vincenzo D'Ambrosio, Witness

For the Intervening Party: Mr Roberto Terenzio, Counsel
Ms Maria Grazia Costanzo, Counsel

50. On 4 March 2026, the CAS Court Office informed the Parties that the evidentiary proceedings were now closed and that, in accordance with Article R59 of the CAS Code, the Arbitral Award shall be communicated to the Parties within a maximum of four months.

V. SUBMISSIONS OF THE PARTIES AND REQUESTS FOR RELIEF

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

A. The Appellant's submissions

52. The Appellant's submissions, in essence, may be summarised as follows:

i. Real Monarchs and Real Salt Lake are different clubs

- The FIFA DRC erred in treating Real Monarchs and Real Salt Lake as a single club for the purposes of the FIFA RSTP. Contrary to the FIFA DRC's interpretation and Potenza's allegations, Real Monarchs is a different club than Real Salt Lake. Consequently, the FIFA DRC was wrong in its findings, both as to the liability for training compensation on the part of Real Salt Lake, and as to the calculation of the amount of such compensation.
- Real Monarchs and Real Salt Lake are separate and distinct legal entities under United States law. Real Monarchs is incorporated as "Real Monarch LLC" (registration number 9129113-0160, formed on 12 August 2014) and Real Salt Lake is the trade name of Utah Soccer LLC (registration number 5645219-160, formed on 14 May 2004). Both are separate limited liability companies registered in the State of Utah with distinct corporate structures, distinct tax identification numbers (EIN 47-1588252 for Real Monarchs; EIN 20-1132287 for Real Salt Lake), and separate banking accounts.
- The two clubs maintain separate operations: they have separate logos, play in separate stadia (Zions Bank Stadium in Herriman for Real Monarchs; America First Field in Sandy for Real Salt Lake), wear different team jerseys with different sponsors and colours, maintain separate rosters, have separate coaching and technical staff, manage their own accounting, payroll, insurance and financial reporting without centralised financial control, and compete in different leagues (the MLS NEXT Pro for Real Monarchs; the MLS for Real Salt Lake).

- Whilst the clubs share certain resources (training facilities, medical staff, and a TMS account), this is common in multi-club ownership structures and does not alter the fact that the clubs are separate legal entities. The FIFA DRC applied an overly broad test that disregarded the separate legal personalities of the entities.
- MLS operates as a “single-entity” league in which Major League Soccer L.L.C. is the sole employer of all players registered in the competition. Clubs in MLS NEXT Pro, by contrast, are not part of MLS and do not share its single-entity employment model – each club directly hires, registers, pays and insures its own players. The average player salary accordingly differs markedly: USD 284,000 for Real Salt Lake (MLS) compared with USD 29,056 for Real Monarchs (MLS NEXT Pro). Under the MLS Roster Rules and the MLS Collective Bargaining Agreement, Real Salt Lake, as an MLS franchise, cannot field any player who is not formally registered through MLS and employed by MLS LLC, with the only exception being short-term agreements, which allow an MLS club to temporarily register a player from an affiliated MLS NEXT Pro club for a maximum of four match periods of up to four days each per season.
- The Player’s employment contract dated 19 August 2022 was signed exclusively with Real Monarch LLC (i.e. Real Monarchs). Real Salt Lake (Utah Soccer LLC) was not a party to the employment contract and had no contractual relationship with the Player. The Player was medically cleared through MLS NEXT Pro documentation, paid exclusively by Real Monarchs and insured under its policies. No MLS standard player agreement, no MLS roster registration and no short-term agreement was ever executed in relation to the Player.
- The Player performed his employment duties exclusively for Real Monarchs, playing matches for Real Monarchs in the MLS NEXT Pro. All salary payments were made from Real Monarch LLC’s bank account. When the employment relationship was terminated on 23 February 2024, the termination agreement was signed with Real Monarch LLC.
- Under the FIFA RSTP, training compensation is payable by “*the new club*”. Since the Player’s employer was Real Monarchs, Real Monarchs is the “*new club*” for the purposes of training compensation, not Real Salt Lake.
- Whilst the Player was registered in TMS under Real Salt Lake’s name, this registration was of a purely technical and administrative nature. The USSF imposed the consolidation of the TMS account and the system permits only a single account administrator – a Real Salt Lake employee – and all decisions regarding the Player’s transfer and registration were taken independently by Real Monarchs’ management.
- On 22 September 2022, the Player only participated in a one-off friendly match for Real Salt Lake forming part of the “Leagues Cup Showcase” – as distinct from the “Leagues Cup” – played for marketing purposes, without registration or contractual consequences and not forming part of any official MLS competition.

- CAS 2014/A/3710 (FC Barcelona / FC Barcelona B) is distinguishable on the basis that it concerned two teams operating within a single legal entity, which is not the situation here.

ii. Potenza waived its entitlement to training compensation for the Player, who in any case had completed his training prior to joining Real Monarchs

- Prior to the Player's registration with Real Monarchs, the Player's agent, Mr. Mario Di Marco, contacted Potenza's Sporting Director, Mr. Fortunato Varra, to explain that Real Monarchs were interested in signing the Player and required documentation certifying Potenza's waiver of training compensation. This was an important consideration for Real Monarchs as it had no budget to cover such costs and, had training compensation been due, Real Monarchs would not have proceeded to sign the Player, since it did not consider him a player of a technical level to justify the financial investment.
- Mr. Varra directed Mr. Di Marco to contact the Potenza's General Secretary, Mr. Vincenzo D'Ambrosio. On 29 August 2022, Mr. D'Ambrosio sent a WhatsApp message in the following terms: "*Footballer NIGRO Gennaro M. (29.05.2000) joined Potenza on a permanent transfer from A.S. Roma with the status of PROFESSIONAL FOOTBALLER. Therefore, pursuant to Article 6 of Annex 4 to the FIFA RSTP, no training compensation is due. The club in question may verify the accuracy of this statement by requesting the player's passport.*" The Appellant submits that this communication constituted a clear and unequivocal waiver, made by a person with apparent authority, upon which the Appellant relied in proceeding with the Player's registration; without it, the transfer would not have been completed.
- In CAS 2017/A/5277, the Panel established that "*It is well established in Swiss contract law that a waiver of rights does not need to take a particular form, even if requirements of form must be observed when entering into an agreement or complying with a related provision.*"
- Further, the Player had already completed his training before joining Potenza on 8 September 2020. The Player was registered as a professional with A.S. Roma from 25 July 2019 to 7 September 2020 and had received his formative training in Italy prior to joining Potenza. He made 12 professional appearances for A.S. Roma in the 2019/20 season and 27 professional appearances for Potenza in the 2020/21 and 2021/22 seasons. By the time the Player joined Potenza, he was already 20 years old and a fully trained professional footballer, and Potenza did not contribute to his training and development in any meaningful way.
- Potenza, in fact, acted in bad faith, first denying the existence of the compensation to facilitate the Player's registration by Real Monarchs, and subsequently, once the registration had occurred and the damage to Real Monarchs had materialised, it acted before FIFA – after almost two years – to obtain payment of compensation.
- Real Monarchs has lodged a formal criminal complaint against Potenza before the competent Italian Public Prosecutor's Office, for the crime of fraud pursuant to

Article 640 Italian Criminal Code for the following reasons: (a) false representation (no compensation due); (b) inducement to error (Real Monarchs registered the Player); (c) economic disposition (contract execution); (d) unjust gain in favour of Potenza and a clear damage caused to Real Monarchs (the amount awarded in the Appealed Decision).

iii. Real Monarchs is a Category IV club of the USSF for the purposes of the FIFA RSTP. The FIFA DRC's recategorisation and subsequent calculation of the training compensation was wrong

- Under both FIFA Circular 1249 and Annex 4, Article 2.2(b) of the FIFA RSTP, training compensation is not due when a player signs with a Category IV club. Real Monarchs is duly recognised by the USSF and FIFA as a Category IV club.
- The league in which Real Monarchs competes (the MLS NEXT Pro league) is a third-tier division in USA. According to the USSF Professional League Standards, the MLS NEXT Pro is officially considered as a Division III league, and as such, clubs within that league fall under Category IV classification in accordance with FIFA's regulatory framework.
- Despite this clear classification, the FIFA DRC wrongly effected a recategorisation of Real Monarchs, effectively treating the club as a Category II entity. This decision lacks any legal or factual justification and is contrary to both FIFA's regulatory texts and the principle of legal certainty.
- Even if Real Monarchs and Real Salt Lake were treated as the same club, the categorisation should be based on the division in which the Player actually played – namely MLS NEXT Pro, not MLS. A reclassification under the “*manifest discrepancy*” test pursuant to FIFA Circular 1249 would require evidence of inflated player salaries or excessive transfer fees inconsistent with the assigned category – neither of which is present here. The Appellant further submits that the standard for reclassification is intentionally high, as it effectively usurps a competence conferred upon national associations by Article 4(1) of Annex 4 of the FIFA RSTP, which are better placed than the FIFA DRC to determine the training and education costs of their member clubs. On the basis of Category IV, training compensation would amount to USD 2,624.90 ($\text{USD } 5.48 \times 479 \text{ days}$); in the alternative, on the basis of Category III, a maximum of USD 13,124.60 ($\text{USD } 27.40 \times 479 \text{ days}$) would be due.
- The FIFA DRC's calculation of USD 52,459 is incorrect. If the training period is from 8 September 2020 to 30 June 2022 (661 days) and the training costs are USD 40,000 per year, the calculation should result in USD 72,438, not USD 52,459. The Appealed Decision furthermore contains a factual error regarding the Player's date of birth, stating it as 11 February 2002 when the correct date is 29 May 2000, which materially affects the calculation of the training compensation period.

53. On this basis, the Appellant submits the following prayer for relief:

- “(a) *Accept the present appeal against the decision passed by the Dispute Resolution Chamber of FIFA on 17 April 2025, grounds of which were notified to the Appellant on 19 May 2025, in the dispute between the Appellant and the First Respondent, registered in FIFA with reference number TMS 14656;*
- (b) *Review the facts and the law, setting aside the said decision and issuing a new decision, in compliance with Article R57 of the CAS Code;*
- (c) *Declare that Real Monarchs Football Club and Real Salt Lake are separate and distinct legal entities;*
- (d) *Declare that no training compensation is due to the First Respondent, either on the basis of a valid waiver by Potenza or on the basis that the Player completed his training prior to joining Potenza;*
- (e) *Alternatively, if training compensation is found to be due, declare that Real Monarchs should be categorised as a Category IV club and that the amount of training compensation should be recalculated accordingly;*
- (f) *Order the Respondents to bear all costs of the present proceedings and to pay to the Appellant a contribution towards the legal fees and other expenses incurred in connection with the present proceedings, in an amount to be duly established at the discretion of this Court, according to Article R64.5 of the CAS Code.”*

B. The First Respondent’s submissions

54. The First Respondent’s submissions, in essence, may be summarised as follows:

i. Real Monarchs and Real Salt Lake are to be considered as one and the same entity for the purposes of FIFA’s regulations

- The FIFA DRC correctly found that Real Monarchs and Real Salt Lake are to be treated as the same club for the purposes of the FIFA RSTP. Whilst the two entities may be separate under domestic law, FIFA regulations must be interpreted autonomously. The two teams share common ownership, management, training facilities, medical staff, administrative staff, and a TMS account, and players move freely between the clubs. The relationship is analogous to a club’s first team and reserve or “B” team.
- The Player was registered with Real Salt Lake in TMS. Under Article 20 and Annex 4 FIFA RSTP, training compensation is payable by “*the new club*” with which the player is registered. This principle is stated in Article 3, Annex 4 FIFA RSTP – “*the club with which the player is registered is responsible for paying training compensation*”, and is further reaffirmed in the FIFA’s Commentary on the RSTP (2023 edition).

- In the case at stake, all available evidence demonstrates that, following the expiration of his contract with Potenza, the Player was registered with Real Salt Lake. As a result, and regardless of any subsequent transfer of the Player to other clubs, Real Salt Lake is the only party responsible to pay training compensation to Potenza, pursuant to the FIFA RSTP.
- The FIFA RSTP does not provide for any exception based on the identity of the player's employer under domestic employment law, nor does it make exceptions for particular league structures such as the MLS "single-entity" structure.
- The First Respondent maintains that the assessment of the relationship between Real Salt Lake and Real Monarchs is superseded by the points referred to above: since the Player was registered by Real Salt Lake after leaving Potenza, Real Salt Lake shall pay training compensation to Potenza in accordance with the FIFA RSTP. Whether and how the Player subsequently joined Real Monarchs and what the relationship is between Real Salt Lake and Real Monarchs, is simply inconsequential for the purposes of the present dispute.
- In the alternative, first and foremost, the First Respondent notes that Real Monarchs does not have an active account in the FIFA TMS. Based on the above, the First Respondent fails to see how Real Monarchs and Real Salt Lake may be regarded as not being the same "club" for the purposes of the FIFA RSTP: the very fact that they were able to transfer the relevant TMS account from one to another, as approved by the USSF, leaves no room for any different conclusion. This conclusion was confirmed by the FIFA DRC in the decisions passed in previous cases TMS 9733 and TMS 9736.
- Affiliated entities within the USSF system are entitled to maintain separate TMS accounts – as was the case with New York Red Bulls and New York Red Bulls II prior to consolidation, as acknowledged in CAS 2024/A/10785. The fact that Real Salt Lake and Real Monarchs share a single TMS account is itself indicative of their unity and – if the two entities were truly separate clubs – would itself constitute a violation of Annex 3 of the FIFA RSTP.
- Both powers of attorney – for Real Monarchs and for Real Salt Lake – were signed by the same person, Mr. Robert Caldwell, who describes himself as Vice President and General Counsel of Real Salt Lake (MLS), Real Monarchs (MLS NEXT Pro), Real Salt Lake Academy (MLS NEXT), America First Field and Zions Bank Stadium and Training Center, overseeing all legal, governance and compliance matters for the entire organisation. Mr. Tony Beltran simultaneously holds the title of General Manager at Real Monarchs and Assistant General Manager at Real Salt Lake.
- Publicly available sources confirm that Real Monarchs has, over seven seasons, functioned as a development pathway towards Real Salt Lake. The acquisition of RSL Football Holdings by Miller Sports + Entertainment in April 2025 described the "Club" as encompassing Real Salt Lake (MLS), Real Monarchs (MLS NEXT Pro), the Utah Royals FC (NWSL) and the Real Salt Lake Academy, with all teams sharing the Zions Bank Training Center as their daily training base.

- If the Appellant genuinely believes that Real Monarchs and Real Salt Lake are separate entities, then Real Monarchs lacks standing to appeal the Appealed Decision, which was rendered against Real Salt Lake, not Real Monarchs. The Appellant cannot have it both ways: it cannot argue that the two entities are separate and at the same time claim standing to appeal a decision rendered against Real Salt Lake.
- The CAS Court Office fee of CHF 1,000 was paid on 6 September 2025 by Real Salt Lake in connection with the present appeal filed by Real Monarchs, which itself reflects the economic and organisational unity of the two entities.
- To the extent that it is relevant, compelling evidence in both these proceedings and the proceedings before FIFA thereby shows that Real Salt Lake and Real Monarchs are one and the same “club” for the purposes of the FIFA RSTP.

Potenza’s entitlement to training compensation and the alleged waiver

- According to Article 1(1) of Annex 4 FIFA RSTP, *“Training compensation shall be payable, as a general rule, up to the age of 23 for training incurred up to the age of 21”*.
- The Player was registered with Potenza as a professional from 8 September 2020 to 30 June 2022 – *encompassing* the calendar years of his 20th and 21st birthdays – and accordingly falls squarely within the compensable period under Article 2 of Annex 4 FIFA RSTP. The conditions for training compensation are mechanically satisfied by reference to the Player’s age and period of registration alone. The fact that the Player had previously been registered as a professional with A.S. Roma does not automatically mean his training was complete, and does not discharge the Appellant’s burden of proving early training completion to the applicable standard.
- There was no valid waiver of training compensation by Potenza. The alleged WhatsApp messages have not been properly authenticated. Even if authentic, Mr. D’Ambrosio did not have authority to waive Potenza’s entitlement to training compensation, as the General Secretary is an administrative position without authority to waive significant financial rights without approval from the club’s governing bodies. The messages do not constitute a clear and unequivocal waiver; the reference to Article 6 of Annex 4 FIFA RSTP – which applies only to intra-EU/EEA transfers – demonstrates a misunderstanding of the applicable law/regulations.
- The First Respondent also draws attention to the chronology of events: the employment contract was countersigned by Real Salt Lake on 22 August 2022 and the ITC was requested on or before 26 August 2022, whereas the alleged WhatsApp message was sent on 30 August 2022 – after the transfer process had already been fully initiated. The Appellant’s submission that the transfer would not have proceeded without the alleged waiver is accordingly inconsistent with the objective sequence of events.

- The First Respondent further invokes FIFA DRC jurisprudence requiring that a waiver be “unmistakeable” – a statement to the effect that no entitlement exists at all is categorically different from a deliberate relinquishment of a known right. The First Respondent also notes that, despite multiple requests from Mr. Di Marco, a formal written waiver was never signed and returned by Potenza.

ii. The recategorisation of Real Salt Lake as a Category II club

- Real Salt Lake competes in the MLS, the first division of professional football in North America, and as such falls within CONCACAF Category II in accordance with FIFA Circular 1249, which provides that Category II encompasses all first division clubs in countries with professional football outside those in Category I. A reclassification of the Respondent from Category IV to Category II therefore reflects – rather than contradicts – the applicable guidelines, given that an MLS club cannot simultaneously be classified at the lowest available training category within the CONCACAF framework.
- The First Respondent further notes that, in both FIFA DRC decisions TMS 9733 and TMS 9736 – directly involving the present parties – the FIFA DRC concluded that the classification of the Respondent as a Category IV club constituted a “manifest discrepancy” and that it should accordingly be treated as Category II. The training costs for Category II clubs in CONCACAF are USD 40,000 per year, which the FIFA DRC correctly applied in calculating training compensation of USD 52,459, pro-rated over 479 days.
- Potenza refers to the FIFA Circular 1249 of 6 December 2010, which allows the FIFA DRC to recategorise a club by establishing that, when assigning their clubs to the various training categories available, football associations should proceed in full respect of the criteria.
- As a result, any club playing in the MLS, i.e. the U.S. first division, shall be considered a CONCACAF training Category II for training compensation purposes, as clarified by the decision issued by the FIFA DRC on 30 November 2022 in the case TMS 11442 between the Spanish club Getafe CF SAD and the American club Columbus Crew.
- In the case TMS 9733 between Vaughan SC and Real Monarchs (Real Salt Lake), the FIFA DRC concluded that, “*Based on the foregoing, the Single Judge considers that the allocation of the Respondent as a training category IV club constitutes a clearly manifest discrepancy in the sense of FIFA Circular 1249. In view of the above, the Respondent shall be considered a training category II club, which is the category reserved to all second-division clubs of member associations in category I and all first-division clubs in all other countries with professional football as per FIFA Circular 1249 in combination with FIFA Circular 1673*”.
- The same conclusion was reached by the FIFA DRC in the case TMS 9736 between Woodbridge Soccer Club and Real Monarchs (Real Salt Lake): “*the allocation of the Respondent as a training category IV club constitutes a clearly manifest discrepancy*”.

in the sense of FIFA Circular 1249. In view of the above, the Respondent shall be considered a training category II club, which is the category reserved to all second-division clubs of member associations in category I and all first-division clubs in all other countries with professional football as per FIFA Circular 1249 in combination with FIFA Circular 1673”.

- As a general rule, in order to assess the category of a club it is necessary to consider the training costs that the player’s new club would have incurred if it had to train the player itself, and therefore its investment in the training and development of players. The criteria listed by FIFA Circular 799 are key. Real Salt Lake has a world-class training academy and has a high CONCACAF ranking (18th). Therefore, it is not a question of whether Real Salt Lake has the monetary funds to provide training to players, but rather of whether Real Salt Lake is avoiding responsibility in regard to training compensation altogether.
- The First Respondent also notes the principles in FIFA Circular 769. If Real Salt Lake (and therefore their team Real Monarchs) were to be considered as a Category IV club, Potenza would have effectively trained the player without receiving any compensation.
- Potenza is entitled to training compensation from Real Salt Lake (per Real Monarchs) in the amount of USD 52,459, as confirmed also by the Appealed Decision. In line with the practice of the FIFA DRC and according to the Swiss Code of Obligations, default interest rate for late payments amounts to 5% per annum.

55. On this basis, the First Respondent submits the following prayer for relief in its Answer:

- “(a) *Reject the Appellant’s appeal against the decision passed by the Dispute Resolution Chamber of FIFA on 17 April 2025, grounds of which were notified on 19 May 2025, registered in FIFA with reference number TMS 1465;*
- (b) *Confirm the Appealed Decision in its entirety;*
- (c) *Order the Appellant to pay for all costs of the present appeal procedure and the whole CAS administration and arbitrators’ fees;*
- (d) *Order the Appellant to pay to the First Respondent a contribution towards the legal fees and other expenses incurred in connection with the present proceedings.”*

C. The Intervening Party’s submissions

56. The Intervening Party has submitted arguments substantially aligned with those of the Appellant. In essence:

- Real Salt Lake emphasises that it and Real Monarchs are separate legal entities with distinct corporate identities, operations, and regulatory frameworks, and that the

Player's employment relationship was exclusively with Real Monarchs, not with Real Salt Lake.

- Real Salt Lake contends that it should not be held liable for training compensation arising from an employment contract to which it was not a party, and that the registration of the Player in the TMS under Real Salt Lake's name was an administrative requirement imposed by MLS and USSF regulations, rather than an indication that they are the same club for the purposes of FIFA's regulations.

VI. JURISDICTION

57. 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."

58. Article 49(1) of the FIFA Statutes (May 2024 version) provides as follows:

"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, intermediaries and licensed match agents."

59. Article 49(2) of the FIFA Statutes (May 2024 version) provides:

"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."

60. Article 50(1) of the FIFA Statutes (May 2024 version) provides:

"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."

61. Further, the Appealed Decision itself provided:

"Pursuant to article 58 paragraph 1 of the FIFA Statutes, this decision may be appealed before the Court of Arbitration for Sport within 21 days of notification."

62. The Appealed Decision was notified to the Parties on 19 May 2025. The Appellant filed its Statement of Appeal on 6 June 2025, which is within the 21-day deadline prescribed by Article 50(1) of the FIFA Statutes (May 2024 version).

63. The Parties which attended the hearing expressly acknowledged the jurisdiction of CAS in their submissions and have signed the Order of Procedure without reservation.
64. It follows that CAS has jurisdiction to decide on the present appeal.

VII. ADMISSIBILITY

65. The Appealed Decision was rendered by the FIFA DRC on 17 April 2025 and notified with grounds to the Appellant on 19 May 2025.
66. As referenced above, Article 50(1) of the FIFA Statutes (May 2024 version) 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.”

67. The Appellant filed its Statement of Appeal with CAS on 7 June 2025. The Appeal was therefore filed within the deadline of 21 days prescribed by Article 50(1) of the FIFA Statutes (May 2024 version). The appeal complied with all other requirements of Article R48 of the CAS Code, including the payment of the CAS Court Office fee.
68. The First Respondent has raised an objection to the admissibility of the appeal, contending that the Appealed Decision was issued exclusively against Real Salt Lake, which elected not to file an appeal and that the Appellant (Real Monarchs), was not named as a party in the Appealed Decision and therefore lacks the requisite legal interest to bring the present proceedings. The Second Respondent likewise requested to be excluded from the proceedings and questioned the Appellant’s standing to bring the appeal.
69. The Sole Arbitrator observes that this objection, properly characterised, does not go to the formal admissibility of the appeal as such. Whether the Appellant possesses the substantive entitlement to pursue the relief sought and whether it is the proper party to do so in light of the identity of the addressee of the Appealed Decision is a question that pertains to the merits of the dispute, not to the regularity of the appeal as a procedural act. The First Respondent has, however, incorrectly characterised this objection as a matter going to the formal admissibility of the appeal. The plea relating to the lack of standing to sue is – according to settled CAS jurisprudence (see e.g., CAS 2024/A/10573; CAS 2021/A/7768; CAS 2015/A/3140; CAS 2015/A/3959; CAS 2015/A/4131; CAS 2009/A/1869) – a question related to the merits of the case and not to the formal admissibility of the appeal as such. The Appellant’s standing to bring the present appeal will accordingly be addressed in the context of the merits section of this Arbitral Award below.
70. The present appeal is therefore admissible.

VIII. APPLICABLE LAW

71. In accordance with Article R58 of the CAS Code, the Sole Arbitrator shall decide the dispute according to the applicable regulations and, subsidiarily, 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 Sole Arbitrator deems appropriate.
72. Article 49(2) of the FIFA Statutes (May 2024 version) provides as follows:

“The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law.”
73. Pursuant to Article R58 of the CAS Code and Article 49(2) of the FIFA Statutes (May 2024 version), the present dispute shall be decided primarily according to the FIFA RSTP and, subsidiarily, to Swiss law. The Parties have not disputed this.
74. The Sole Arbitrator accepts the primary application of the various regulations of FIFA, in particular the FIFA RSTP and, subsidiarily, Swiss law, should the need arise to fill a gap in the various regulations of FIFA.
75. In respect of the applicable version of the FIFA RSTP, the Sole Arbitrator notes that Potenza’s claim before the FIFA DRC was brought with reference to the July 2022 version of the FIFA RSTP, being the version in force at the time. This was also the version which was applied substantively by the FIFA DRC in the Appealed Decision. The Sole Arbitrator notes that a new version of the FIFA RSTP was introduced by FIFA in January 2025. In this respect, in accordance with the principle of *tempus regit actum*, the version of the FIFA RSTP in place at the time of the events at the centre of dispute shall apply substantively (i.e. the July 2022 version of the FIFA RSTP). The Parties have not disputed this. To the extent relevant, any procedural rules contained in the January 2025 version of the FIFA RSTP may be applied to resolve this dispute, subject to the principle of *lex mitior*. All references in this Arbitral Award to the FIFA RSTP are to the July 2022 version, unless stated otherwise.
76. The present dispute falls to be determined against the normative framework established in FIFA’s regulations, primarily the FIFA RSTP. The detailed modalities governing the calculation of that compensation – encompassing the relevant time periods, the categorisation of clubs by division and by confederation, and the applicable cost parameters – are set out in Article 20 and Annex 4 FIFA RSTP. Additional interpretative guidance is provided by FIFA’s Commentary on the RSTP (2023 edition) and the various FIFA Circulars directed to clubs and associations on the subject of training compensation. It is on the basis of this normative framework that the Sole Arbitrator will now proceed to examine the issues in dispute.

IX. MERITS

A. Questions to be resolved

77. Based on the submissions of the Parties and all the facts of the case, the Sole Arbitrator identifies five primary issues to be resolved in this case:
- i. Does the Appellant have standing to bring the present appeal?
 - ii. Are Real Monarchs and Real Salt Lake to be considered as one single “club” for the purposes of training compensation under the FIFA RSTP?
 - iii. Does a valid waiver of the First Respondent’s entitlement to training compensation exist?
 - iv. Did the Player evidently complete his training prior to his registration with the First Respondent, such that no – or reduced – training compensation is due?
 - v. What is the proper categorisation of the registering club for the purposes of calculating training compensation, and what is the correct amount due?

B. Analysis of the merits

i. Does the Appellant have standing to bring the present appeal?

78. As described above, the Appellant’s standing to bring the present appeal is contested. The First Respondent has argued that the Appellant lacks the requisite legal interest to bring the present proceedings and has – incorrectly, as the Sole Arbitrator has already noted – characterised this objection as a matter going to the formal admissibility of the appeal. The Sole Arbitrator will now turn to examine the question of standing on its merits.
79. As far as the relevant requirements for standing to sue (or to appeal) are concerned, the Sole Arbitrator takes note of the guidance set down by the CAS panel in CAS 2015/A/4282 (later followed in cases such as CAS 2024/A/10573) where the CAS panel provided the following summary of the relevant CAS case law and that of the Swiss Federal Tribunal:

“Regarding CAS jurisprudence, in order to have standing to sue, the appellant must have an interest worthy of protection (CAS 2013/A/3140 para. 8.3) or a legitimate interest (CAS 2015/A/3880 para. 46 with further references). This is found to exist if (i) the appellant is sufficiently affected by the appealed decision, and if (ii) a tangible interest of a financial or sporting nature is at stake (CAS 2015/A/3880 para. 46 with further references; see also to that effect CAS 2013/A/3140 para. 8.3; CAS 2014/A/3665, 3666 & 3667 para. 47; CAS 2015/A/3959 par. 143 et seqq.). According to CAS 2009/A/1880 & 2009/A/1881 para. 29, only an aggrieved party who has something at stake and thus a concrete interest in challenging a decision adopted by a sports body may appeal against that decision to CAS and the Swiss Federal Tribunal. The Appellants also rely on the Swiss rules of administrative procedure. (...) In this respect, the Panel notes that both academics and the jurisprudence hold that a

non-addressee of a decision only has a right to appeal in very restricted cases (ATF 131 II 649 consid. 3.1 and references). As a general rule, the appellant's interest must be concrete, legitimate, and personal (Yves Donzallaz, Loi sur le Tribunal Fédéral, p. 909, para. 2366 and 2369, Berne 2008 and quoted cases). A purely theoretical/indirect interest is not sufficient (ATF 133 II 353). In addition, the decision being challenged must affect the appellant directly, concretely, and with more intensity than others (ATF 131 II 649; consid. 3.1; see also CAS 2009/A/1880, 1881 par. 29). (...)."

80. These principles and requirements have been confirmed time and again by CAS panels (see, for example, CAS OG 22/007, CAS 2023/A/9611 and CAS 2024/A/10573).
81. The matter in dispute is the question of whether Real Monarchs and Real Salt Lake are to be regarded as one single “club” or as two separate clubs for the purposes of the training compensation system under the FIFA RSTP. The Sole Arbitrator wishes to emphasise, however, that this substantive question must be kept analytically distinct from the question of standing to appeal. Standing to appeal is determined exclusively by reference to the Appellant’s affectedness by the Appealed Decision – as set out in the requirements recalled above – and not by reference to the outcome of the “single club question”. The Sole Arbitrator will therefore first assess whether the Appellant satisfies the conditions for standing to appeal on the basis of that affectedness, before turning to the merits of the “single club question” under issue ii. below.
82. Turning to the first requirement – whether the Appellant is sufficiently affected by the Appealed Decision – the Sole Arbitrator considers that this condition is evidently satisfied on the facts of the present case. The Appealed Decision, by its very terms, was directed against Real Salt Lake as the named respondent. However, the central and decisive legal question addressed within the Appealed Decision was precisely whether Real Monarchs and Real Salt Lake are to be regarded as one single “club” for training compensation purposes. The FIFA DRC resolved that question in the affirmative, with the consequence that the obligation to pay training compensation was attributed to what it regarded as the unified entity comprising both clubs. In determining that question, the Appealed Decision expressly and necessarily resolved a matter of fundamental legal importance to Real Monarchs, namely its own legal characterisation under the FIFA RSTP.
83. The second requirement – that a tangible interest of a financial or sporting nature must be at stake – is equally satisfied. It is directly in Real Monarchs’ interest to contest a determination that treats it as legally identical to – and thus a component of – Real Salt Lake. The financial consequences for Real Monarchs of that characterisation are direct and immediate: if it is regarded as forming part of Real Salt Lake, it is, with reference to the FIFA RSTP, part of the “club” upon which the training compensation obligation falls. The financial interest of Real Monarchs in the outcome of the present proceedings is accordingly concrete, direct and personal. As Real Salt Lake itself stated in its request for intervention, it is likewise in Real Salt Lake’s interest to ascertain that it is a different legal entity from the Appellant and to have its rights clarified vis-à-vis third parties. The tangible financial and sporting interest of the Appellant in the outcome of these proceedings is therefore beyond doubt.

84. It is the Sole Arbitrator's view that the mere fact that the Appealed Decision – in the course of its reasoning – determined the legal status of Real Monarchs, and held it to be part of the same “club” as Real Salt Lake, is in itself sufficient to establish that Real Monarchs is sufficiently affected by that decision for the purposes of its standing to appeal. The Sole Arbitrator accepts that the Appealed Decision was formally directed against Real Salt Lake as the named addressee; but this does not preclude the Appellant from having standing to challenge it. The question of one's own legal status under the applicable regulations is undeniably a personal matter. A non-addressee of a decision may have standing to appeal where that decision directly and concretely affects its legal position (ATF 131 II 649 consid. 3.1). That is precisely the case here: it is precisely because the FIFA DRC decided the “single club question” against Real Monarchs – treating it as part of Real Salt Lake – that the Appellant is affected by that decision. The interest of Real Monarchs in a decision of a sports body that affects this status is therefore a direct and legitimate one in the context of the case law referred to above, irrespective of whether or not Real Monarchs was, in fact, the correct address of the Appealed Decision. Whether the FIFA DRC resolved that question correctly is a separate matter, which will be examined in its entirety under issue ii. below.

85. Based on the forgoing, the Sole Arbitrator rules that the Appellant has standing to appeal against the Appealed Decision and, consequently, in the present case.

ii. Are Real Monarchs and Real Salt Lake to be considered as one single “club” for the purposes of training compensation under the FIFA RSTP?

86. In the Sole Arbitrator's view, this analysis must be broken down into two steps: first, the Sole Arbitrator will assess whether, under the applicable rules, it is possible that, in abstract, two separate legal entities can be deemed as one single “club” for the purposes of training compensation under the FIFA RSTP. Second, in the event that the conclusion is affirmative, the Sole Arbitrator will assess whether, *in concreto*, it has been established that Real Monarchs and Real Salt Lake are in fact one single “club” for the above-referenced purposes.

a) *Can two separate legal entities constitute one single “club” for training compensation purposes?*

87. Article 3.1 of Annex 4 FIFA RSTP provides that “*on registering as a professional for the first time, the club with which the player is registered is responsible for paying training compensation within 30 days of registration*”. However, the FIFA RSTP does not contain a definition of the term “club” that is directly tailored to these training compensation provisions.

88. The FIFA Statutes (May 2024 version), however, do contain a definition of “club”, stating that it is “*a member of an association (that is a member association of FIFA) or a member of a league recognised by a member association that enters at least one team in a competition*”. This definition does not, on a literal interpretation, confine the concept of “club” to a single legal entity, but it not precise enough to confirm the matter.

89. Turning to a teleological interpretation of the definition, and in particular the intended goal of the provision and the interests it seeks to protect, the Sole Arbitrator makes reference to the helpful analysis provided by the Sole Arbitrator in CAS 2024/A/10785:

“88. In this regard, FIFA established the training compensation framework to reward clubs that invest in developing young players, by imposing an obligation on acquiring clubs to compensate the training clubs whenever a player that they trained becomes a professional.

89. The FIFA RSTP establishes that the basis for calculating the training compensation is the training costs that would have been incurred by the new club had it trained the player itself. As stated in the FIFA Commentary to the FIFA RSTP, “the aim of this provision is to ensure that clubs are not incentivised simply to recruit young players, rather than training and educating these players themselves. This ensures that clubs with more financial clout will also continue to invest in training and developing young players”. (FIFA Commentary on the FIFA RSTP, page 381.)

90. Pursuant to Article 4.1 of Annexe 4 FIFA RSTP, to calculate the compensation due, member associations are instructed to divide their affiliated clubs into a maximum of four categories depending on the financial investment they make in training players. It is on the basis of these categories that the precise amounts of training compensation due are calculated.

91. It is the Sole Arbitrator’s view that the intended goal of these provisions and of the training compensation mechanism as an overall framework would be incompatible with an interpretation of the concept of “club” as necessarily having to be one single legal entity only.

92. If this were the case, then the objectives of the training compensation system and its functioning could be undermined, as clubs could decide to operate one or more of their teams as separate legal entities (whilst still maintaining sporting, operational and administrative control over their activities), thereby “picking and choosing” where to register the incoming young players depending on the training compensation strategy that would suit them best, potentially to the detriment of training clubs.

[...]

94. It is the Sole Arbitrator’s view that the proper functioning of the training compensation system in light of its features and intended objectives therefore requires an interpretation of the concept of “club” which is not necessarily and automatically restricted only to the concrete legal entity with which the player was registered.

95. If, in the specific circumstances of a given case, there is substantial evidence that, notwithstanding any formal separation in corporate structure, two separate legal entities are integrated from a sporting, organisational and operational perspective, it may be possible to consider them as one single “club” for the purposes of the training compensation system and in light of its objectives.”

90. The Sole Arbitrator in this case follows this logic. Further, it is clear from the wider body of existing case law (i.e. cases before the FIFA DRC and CAS), as well as the supporting guidance produced by FIFA used to analyse and determine whether or not two separate entities constitute a single “club” for the purposes of determining training compensation under the FIFA RSTP (addressed in detail below), that this dynamic is, in principle, possible. The fact that two separate legal entities may be involved is therefore not finally determinative in this respect. This approach is consistent with the findings of the FIFA DRC in cases TMS 9733 and TMS 9736, both of which directly concerned the present Appellant and/or the Intervening Party.
91. In light of the above, the Sole Arbitrator concludes that, in abstract, the correct interpretation of the concept of “club” permits that two separate legal entities be potentially deemed as one single “club” for the purposes of training compensation under the FIFA RSTP.
- b) Are Real Monarchs and Real Salt Lake one single “club”?*
92. The Sole Arbitrator now turns to assessing whether or not Real Monarchs and Real Salt Lake in fact constitute a single “club” for these purposes. The Sole Arbitrator wishes to note from the outset that an analysis of this nature inevitably entails assessing a non-exhaustive set of factors and circumstances. It is not a straightforward matter and is a fact-sensitive, functional inquiry, dependent on the totality of the evidence adduced in these proceedings. The various elements referred to by the Parties will now be assessed. The Sole Arbitrator has duly considered all arguments advanced by the Parties, even if not addressed specifically below.
93. It is not a point of contention that Real Monarchs and Real Salt Lake are, from a formal standpoint, two separate legal entities under U.S. domestic law. The Appellant’s case in this regard essentially rests on the contention that the two entities are sufficiently distinct as to preclude any finding of “single club” status. The First Respondent, for its part, maintains that, from a substantive point of view, Real Monarchs is effectively the “B” team of Real Salt Lake and that, therefore, for the purposes of the FIFA RSTP (and more specifically the concept of training compensation), they are one and the same thing.
94. The Sole Arbitrator accepts that, in general, the fact that players playing for two different teams are employed by separate entities might be a factor that carries some weight in favour of a finding that those entities are not the same “club”. However, as referenced above, this is not determinative.
95. Firstly, it is perfectly plausible that, even in the situation espoused by the First Respondent, namely that Real Monarchs in fact represents a former of “feeder” or “B” team for Real Salt Lake under a “single club” concept, the club may choose to manage those teams under two separate legal entities. Indeed, there may be various practical and logistical benefits for managing teams in two different leagues through different entities and maintaining a degree of practical and administrative separation of such teams within this “single club” structure.

96. Secondly, the peculiarities of the American professional league system cannot be ignored. As was observed in CAS 2024/A/10785, any football club that wishes to enter various teams in USSF competitions – one of them being in the MLS – and wishes to operate as one single fully integrated entity will always necessarily have its players formally bound to different employers due to the manner in which the USSF system is structured. As explained by the Appellant itself, clubs in the MLS (e.g. Real Salt Lake) operate under a “single-entity” league structure in which Major League Soccer L.L.C. is the sole employer of all players registered in the competition. Clubs in the MLS NEXT Pro, by contrast, are not part of this MLS structure and do not share its “single-entity” employment model; each club directly hires, registers, pays and insures its own players. This, in turn, may also explain why players moving between the two teams of the same club will necessitate certain administrative arrangements formalising that move. The separate employment contract is therefore a feature of the USSF regulatory architecture rather than conclusive evidence of club-level independence in the sense relevant to this analysis.
97. The Sole Arbitrator has also considered the evidence presented by the Parties in respect of the FIFA TMS. Due to the centrality of the TMS to the transfer and registration of players between clubs, it is not surprising that FIFA DRC and CAS jurisprudence has emphasised the importance of the data recorded in it the case of disputes between clubs as to the circumstances of such transfers and registration, as noted in FIFA’s Commentary on the RSTP (2023 edition, at page 380). The FIFA TMS Transfer Contract (Reference No. 566213) identifies Real Salt Lake as the “*instructing club*” for the international registration of the Player. The FIFA TMS “*Player Details*” page lists the Player under “*Club: Real Salt Lake, Club ID 1492*.” The KNVB player passport records the Player as registered on loan at ADO Den Haag “*from Real Salt Lake*”, with the ITC on return delivered “*to USSF - Real Salt Lake*”. These are formal records of the competent football authorities and carry significant evidential weight. The Player was, in all official administrative documentation generated in the context of his international registration and subsequent loan, consistently and exclusively associated with Real Salt Lake.
98. The Appellant and the Intervening Party explain this administrative configuration by reference to the single TMS account and the structural role of the Real Salt Lake-appointed TMS administrator, Mr. Chase Rusden. The Sole Arbitrator has carefully considered this explanation. The Appellant’s General Counsel, Mr. Robert Caldwell, testified at the hearing that the consolidation of the TMS account was imposed by the USSF and that the system permits only a single account administrator – a role that necessarily falls to a Real Salt Lake employee. The Sole Arbitrator does not dismiss this explanation out of hand. However, it is worth noting that the Appellant has not adduced documentary evidence to corroborate the assertion that Real Monarchs’ staff independently managed the Player’s transfer process behind the scenes, or to confirm that the single-administrator rule operates precisely as described. In the absence of such corroboration, the formal TMS record – which consistently identifies Real Salt Lake as the transacting club – retains evidential weight as an indicator of integration. There is a further dimension to Mr. Caldwell’s testimony that warrants attention. The very fact that the USSF saw fit to compel Real Monarchs and Real Salt Lake to operate under a single, consolidated TMS account presupposes an institutional recognition on the part of the

governing body that the two entities are sufficiently intertwined to be administered as one – a premise that sits in considerable tension with the Appellant’s contention that they are entirely separate and independent clubs.

99. The Sole Arbitrator has also considered the evidence presented by the Parties on the wider context of Real Monarchs’ and Real Salt Lake’s operations, including that published on their own websites. This evidence demonstrates that Real Monarchs has, over multiple seasons, served as a developmental stepping stone towards Real Salt Lake, with players utilising Real Monarchs as a pathway to MLS contracts with Real Salt Lake. Players such as Justen Glad, Aaron Herrera and David Ochoa progressed through this player development pathway. For example, an article on Real Salt Lake’s website dated 6 December 2021 reference the relationship between Real Salt Lake and Real Monarchs as follows:

“Over the past seven seasons, the Monarchs have seen great success in using the team as a development pathway towards Major League Soccer’s Real Salt Lake, providing a place for Homegrown Players like Justen Glad, Aaron Herrera and David Ochoa to receive valuable playing time. Meanwhile, it has functioned as an additional recruiting arm for the first team, giving the front office further time to scout players before moving them to RSL contracts, as demonstrated with Andrew Brody, Maikel Chang and Douglas Martinez, amongst many others – an even dozen (see list below) who have contributed to the Claret-and-Cobalt at both levels.”

100. Similarly, an earlier article dated 24 May 2017 includes the following:

“In 2015, the club expanded its development pyramid with the addition of Real Monarchs, one of several MLS-operated clubs playing in the USL, the United States’ Division II setup. DF Chris Schuler, FW Ricardo Velazco, FW Emery Welshman have utilized Monarchs experience to earn first-team contracts, while former Academy standout FW Andrew Brody works his way through the pyramid.”

101. The characterisation of Real Monarchs being a team within the player development pathway for Real Salt Lake is evidenced in particular by the Player’s participation in a one-off friendly match for Real Salt Lake forming part of the “Leagues Cup Showcase”. While the Sole Arbitrator accepts that the status of the match as an exhibition game means that Real Salt Lake may not have been prohibited from fielding players in this match who were not formally contracted to or registered with Real Salt Lake, the fact that the Player represented Real Salt Lake in this match is nevertheless indicative of a degree of *de facto* control and responsibility being exercised by Real Salt Lake over the Player. This supports the conceptualisation of Real Monarchs as being, in fact, a “feeder” team for Real Salt Lake, whereby players of Real Monarchs may, on occasion, be offered the opportunity to represent the “parent” team Real Salt Lake in such unofficial matches, as a potential opportunity to impress, as well as to showcase the club’s player development pathway.
102. As was the case with the New York Red Bulls organisation in CAS 2024/A/10785, where the development pyramid presented NYRB II as the second tier in a vertically integrated player pathway under one unified “club” identity, Real Monarchs is expressly and

publicly referred to in such website and other promotional material as a component of the Real Salt Lake development pyramid. In addition, the MLS NEXT Pro Affiliate structure, as reflected in the 2023 MLS Roster Rules, regulates the operational permeability between the two squads and provides the regulatory framework within which players may be utilised across both teams. This reinforces the reality that Real Monarchs plays the role of a reserve and development team serving the Real Salt Lake first team squad.

103. Notably, in respect of infrastructure, training facilities and other resources, the evidence presented by the Parties also reveals a substantial degree of overlap between key aspects of the operations of Real Salt Lake and Real Monarchs. In respect of training facilities, an article on Real Salt Lake's website dated 24 May 2017, for example, describes how *"the Zions Bank Training Center will house the daily training activities for five soccer teams: Major League Soccer's Real Salt Lake, the United Soccer League's Real Monarchs, as well as three age-group extensions of the club's U.S. Soccer Development Academy"*. It is clear that the extensive investment in such facilities by Real Salt Lake is of ultimate benefit not just to the players in its first team, but also to those of Real Monarchs and the other youth and academy teams within its wider ambit.
104. Indeed, as the Appellant itself states, the MLS even provides a specific "short-term agreements" exception to the general requirement for all MLS players to be centrally contracted to the league, which allows MLS clubs (such as Real Salt Lake) to temporarily register a player from an affiliated MLS NEXT Pro club (such as Real Monarchs) for a maximum of four match periods of up to four days each per season. The fact that such a system exists reflects that the relationship between "feeder" MLS NEXT Pro clubs and their "parent" MLS teams is commonplace enough, that such a specific exception would be recognised in the league's regulations. As such, it is clear that the infrastructure, training facilities and shared resources between Real Salt Lake and Real Monarchs reflects the fundamental link between the two teams, not just within the wider structure of Real Salt Lake's governance and operations, but specifically within the context of the pathway development between MLS NEXT Pro and MLS teams provided for under the USSF's specific regulatory structure.
105. The Sole Arbitrator notes that there remains a degree of separation between the Real Monarchs and Real Salt Lake in other areas, and the Appellant has provided submissions as to the numerous differences in the operations of the two teams, including having different jerseys with different sponsors and colours, maintaining separate rosters, separate coaching and technical staff, managing their own accounting, payroll, insurance and financial reporting, and competing under different league structures, etc. However, as was also held in CAS 2024/A/10785, such differences do not preclude a finding that these two distinct teams in reality form part of the same "club". Even within the context of a single "club" which has multiple teams at various levels of its development pyramid, it is to be expected that each team may have unique elements such as branding and playing squads, dedicated departments/staff of their own (such as coaching staff, medical staff and sports analytics), as well as a degree of administrative separation when it comes to matters such as human resources, payroll and matters of a similar nature. Such differences in this case do not mask the fact that, when considering the evidential picture of the overarching infrastructure supporting the two teams as a whole, it is clearly one in which

both teams sit squarely within the framework of the wider Real Salt Lake sporting group operations (sometimes referred to on Real Salt Lake’s website as the “RSL Family”).

106. Indeed, other evidence before the Sole Arbitrator establishes a significant degree of shared management and infrastructure between the two entities. It is in this regard relevant to note that both powers of attorney – for Real Monarchs and for Real Salt Lake – were signed by Mr. Robert Caldwell. Mr. Tony Beltran simultaneously holds senior management positions at both clubs. The controlling interest in both clubs was acquired as part of a single transaction, with Real Salt Lake, Real Monarchs, the Utah Royals and the Real Salt Lake Academy described collectively as the “Club”. It is also worth noting that the CAS Court Office fee was paid by Real Salt Lake on behalf of Real Monarchs, which is a further indication of the economic and operational unity of the two entities.
107. The Sole Arbitrator also considers it relevant that the FIFA DRC has on two prior and separate occasions – in cases TMS 9733 and TMS 9736, both directly involving the present parties – concluded that “*Real Monarchs SLC and Real Salt Lake are to be considered as the same club*”, characterising Real Monarchs as “*simply the ‘B’ team of Real Salt Lake*”. The Sole Arbitrator notes that these decisions were, in effect, uncontested by the Parties in this case and that the FIFA DRC in those cases may not have been presented with the same evidence as has been the case in these proceedings. Nor, in the noted absence of a *stare decisis* principle in CAS proceedings, are these decisions directly binding upon the Sole Arbitrator. Nevertheless, the findings in these decisions provide further rationale for conceptualising the two entities as a single “club” for the purposes of the relevant FIFA regulations.
108. Further helpful guidance is provided in the Arbitral Award in CAS 2024/A/10785, in particular at paras. 98 – 141 where the Sole Arbitrator embarked on a helpful analysis of the various elements of the sort advanced by the Parties in this case (legal status, player development, infrastructure, branding, administration, external communications, regulation, domestic football governance, etc.), in determining whether or not the two separate legal entities in that case constituted a single “club” for the purposes of training compensation under the FIFA RSTP. Many of the factors which led the Sole Arbitrator in that case to determine that New York Red Bulls and New York Red Bulls II should be treated as a single “club” for the purposes of the FIFA Regulations (notwithstanding the legal separation of those entities and that the specificities of the USSF/MLS system) are also present in this case.
109. Weighed against this, the Sole Arbitrator does not underestimate the force of certain arguments advanced by the Appellant and the Intervening Party in these proceedings. In particular, the separate corporate registrations, separate tax identification numbers, separate stadia, separate logos, kit designs and other branding elements, separate banking accounts, divergent salary structures and the structural specificities of the MLS single-entity model are real and documented differences between the two entities. The Sole Arbitrator also appreciates that there may be differences in the specific regulatory structures existing for these two entities when compared to other cases cited by the Parties such as CAS 2014/A/3710 (i.e. FC Barcelona and FC Barcelona B) and CAS

2024/A/10785 (i.e. New York Red Bulls and NYRB II), in which these distinctions may not (all) have been present.

110. Having carefully considered all the submissions made and the evidence made available, the Sole Arbitrator concludes that the apparent depth and breadth of the sporting, organisational and operational integration of Real Monarchs and Real Salt Lake within the same football organisation, as evidenced by the consistent administrative treatment of the Player as a Real Salt Lake player across all FIFA regulatory documentation – from the TMS Transfer Record and player passport to the ADO Den Haag loan registration – the shared management and governance structure, the common ownership pyramid, the shared training infrastructure, the explicit development-pathway characterisation, and the consistent prior FIFA DRC jurisprudence, indicates that, for training compensation purposes, Real Monarchs should not be considered as an independent “club”, but rather as an extension of Real Salt Lake’s player development programme.
111. In this context, the Sole Arbitrator returns to the helpful analysis provided by the Sole Arbitrator in CAS 2024/A/10785:

“93. Evidently, FIFA and CAS jurisprudence on training compensation cases demonstrates that it has been possible in the past to impose the training compensation liability on the following club that registered the player after he was first registered as a professional, on the basis of a finding of a circumvention of the applicable rules (based concepts such as that of “bridge club” (which was subsequently enshrined in Article 5bis FIFA RSTP) or the ultimate/real beneficiary club of the training that was provided by the training club). However, in addition to this approach having limitations and carrying evidentiary difficulties from the perspective of training clubs, it is entirely possible that there is no attempt to circumvent the training compensation rules when registering a player in a lower tier team of an organisation (constituted as a separate legal entity), but that it would still be unfair towards training clubs and damaging to the objectives of the training compensation system that no training compensation (or lower training compensation) would be payable in circumstances where the “parent club” would ultimately have access to, and control of, the services of the young player that is being registered.”
112. The Sole Arbitrator finds the last part of this analysis particularly persuasive. From a teleological perspective, the Sole Arbitrator finds that it would be inherently and substantively unfair towards training clubs and damaging to the objectives of FIFA’s training compensation system that no training compensation (or lower training compensation) would be payable in circumstances where a “parent” team would ultimately have access to, and control of, the services of a player. To hold otherwise would effectively permit clubs to structure their player registrations of all young players through lower-division affiliates in “feeder” teams, in a manner that would systematically reduce or eliminate their training compensation obligations. Such an outcome would be fundamentally incompatible with the objectives of Article 20 FIFA RSTP and Annex 4 thereof.
113. In this case, the Sole Arbitrator is satisfied that, despite the degree of legal and functional separation between the two distinct legal entities, Real Salt Lake maintained a significant

degree of access and ultimate control of the services of the Player and other players of Real Monarchs (demonstrated, for example, by the use of a single TMS account, the multiple references on Real Salt Lake's own website to Real Monarchs being a "development" team within the club's footballing pyramid, the shared training facilities, and the Player's appearance in a friendly match for Real Salt Lake). To permit this degree of ultimate access and/or control without the appropriate consequences in respect of training compensation would fundamentally undermine the purposes of the applicable regulations, for the reasons set out above. Based on a functional inquiry into the level of integration of the two separate entities and all the evidence provided by the Parties, the Sole Arbitrator is therefore satisfied that the correct conceptualisation of the two legal entities involved is one of "parent" team and "feeder" team.

114. The Sole Arbitrator therefore concludes that Real Monarchs and Real Salt Lake are, for the purposes of the present proceedings and the training compensation system under the FIFA RSTP, to be regarded as one single "club".

iii. Does a valid waiver of the First Respondent's entitlement to training compensation exist?

115. The Appellant contends that Potenza's General Secretary Mr. D'Ambrosio communicated a clear and unequivocal waiver of training compensation via WhatsApp on 29 August 2022, upon which the Appellant relied in proceeding with the Player's registration. The First Respondent disputes that this message constituted a valid waiver. The Sole Arbitrator will now examine whether a valid waiver exists.

116. The WhatsApp message from Mr. D'Ambrosio which contained the alleged waiver reads as follows:

"Footballer NIGRO Gennaro M. (29.05.2000) joined Potenza on a permanent transfer from A.S. Roma on a permanent transfer with the status of PROFESSIONAL FOOTBALLER. Therefore, pursuant to Article 6 of Annex 4 to the FIFA RSTP Regulations, no training compensation is due. The club in question may verify the accuracy of this statement by requesting the player's passport".

117. In respect of the general principles regarding a potential waiver of training compensation, the Sole Arbitrator notes that both the FIFA regulations (the FIFA RSTP and FIFA Clearing House Regulations) and CAS jurisprudence (see, for example, CAS 2021/A/8392 and CAS 2023/A/10041) recognise that waivers of training compensation are permissible in principle. This principle reflects the autonomy of clubs to manage their own contractual relationships. The Appellant also cites CAS 2017/A/5277, in which the Panel established that, pursuant to the general provisions of Swiss contract law, a waiver need not take a particular form (e.g. a signed bilateral agreement) and does not require the written consent of the club benefitting from the waiver, and that *"an existing unilateral written statement from the club that is entitled to receive training compensation would equally qualify as compelling evidence for a waiver."*

118. However, as a waiver of an entitlement to training compensation constitutes a unilateral relinquishment of a substantive right, it is well-established in CAS jurisprudence, the

applicable FIFA Regulations and FIFA's Commentary on the RSTP (2023 edition), that, pursuant to the same principles of Swiss contractual law, such a waiver must be clear, express and unequivocal.

119. Additionally, in respect of the procedural requirements for a valid waiver, Article 9.7 of the FIFA Clearing House Regulations (January 2025 version) provides that “[w]here a training club has waived its right to receive training rewards, proof of a valid waiver shall be uploaded in TMS by the new club”. This procedural obligation is mandatory for a waiver to be valid and serves the legitimate purpose of enabling FIFA to process training rewards efficiently and to maintain the integrity of the transfer system (see, for example, CAS 2024/A/10453 and CAS 2024/A/10949).
120. The Sole Arbitrator relies further on FIFA's Commentary on the RSTP (2023 edition, at page 391 *et seq.*) on “*waiving the right to training compensation*” as well as to CAS jurisprudence. In this context, the Sole Arbitrator recalls that, for a waiver to be valid, (i) the person renouncing a right must have the capacity and authority to do so; (ii) the waiver must be clear and unequivocal; and (iii) the person must have the right which he is renouncing. As a further general principle of Swiss law, rights may be waived voluntarily unless the waiver is contrary to law, public policy or good morals (see, for example, CAS 2021/A/8392 and CAS 2023/A/9975-9976).
121. The Sole Arbitrator must therefore assess whether the language in the communication referenced in paragraph 116 above is sufficiently clear and unequivocal to demonstrate an intention on the part of Potenza to waive its entitlement to training compensation, applying the standards articulated in the aforementioned CAS jurisprudence. The critical question is whether the above email from Mr. D'Ambrosio meets this standard. For the reasons set out below, the Sole Arbitrator finds that it does not.
122. First, as regards the legal content of the email, Article 6 of Annex 4 FIFA RSTP, cited by Mr. D'Ambrosio as the basis for his statement, applies exclusively to transfers within the EU/EEA. It has no application to the transfer of an Italian-registered player to a U.S.-based club. A statement to the effect that no training compensation is due, made on the basis of a provision that is entirely inapplicable to the circumstances at hand, cannot constitute a clear and unequivocal declaration of intent to waive the entitlement to all forms of potential training compensation. It reflects a mistaken legal opinion – and one which, however confidently expressed, does not amount to a conscious and deliberate relinquishment of a known right. On the contrary, a waiver presupposes awareness of the right being waived. Mr. D'Ambrosio's message, read in context, conveys the view that no obligation existed at all – which is logically inconsistent with the concept of an intentional waiver.
123. The chronology of events points in the same direction: the Player's employment contract was countersigned by the Appellant on 22 August 2022 and the ITC was requested by 26 August 2022 – yet the WhatsApp message was not sent until 30 August 2022, after the transfer process had already been fully set in motion. The Sole Arbitrator is accordingly not satisfied that the Appellant relied upon the alleged waiver in proceeding with the Player's registration. The submission that the transfer “*would not have proceeded*” without the message is contradicted by the sequence of events.

124. Equally telling is the fact that the Appellant itself sent a formal written waiver template to Potenza for signature, which was never signed and never returned. This conduct is inconsistent with the position now advanced – namely, that an informal WhatsApp message had already constituted a binding waiver. The act of sending a formal waiver template reflects the Appellant's own recognition, at the time, that no waiver had yet been effectively given.
125. Finally, at the hearing Mr. Caldwell for the Appellant and Mr. Di Marco confirmed that the Appellant and the agent had not received a signed waiver document. The Appellants and Mr. Di Marco's conclusion that Potenza had renounced its entitlement was based not on an express declaration to that effect, but on the overall posture and repeated statements of Mr. D'Ambrosio over a period of one to two weeks. As Mr. Caldwell confirmed over a period of approximately one to two weeks, Mr. Di Marco and Mr. D'Ambrosio had a series of conversations in which Mr. Di Marco repeatedly requested various documents – including signed instruments and an unequivocal waiver. Mr. D'Ambrosio's response remained consistent throughout: he did not comply with these requests in the manner sought.
126. In accordance with the above-referenced requirements for a valid waiver established by the consistent CAS jurisprudence and FIFA's Commentary on the RSTP (2023 edition) on this point, an implied waiver inferred from the general attitude of a counterparty – in the absence of any executed waiver document – plainly fails to meet the standard of clarity and unequivocally that the Appellant itself recognises as governing.
127. In these circumstances, it is not necessary for the Sole Arbitrator to consider in further detail the argument of the First Respondent as to whether Mr. D'Ambrosio possessed the requisite legal authority to waive Potenza's right to training compensation, and whether this has any relevance for the question at hand.
128. The Sole Arbitrator is also cognisant that the Appellant has lodged a formal criminal complaint against Potenza before the Italian Public Prosecutor's Office for fraud pursuant to Article 640 of the Italian Criminal Code. This tribunal makes no determination whatsoever in respect of those allegations. The CAS is not a criminal tribunal, and the existence of parallel criminal proceedings – whatever their outcome – has no bearing upon the Sole Arbitrator's findings in the present arbitration.
129. In summary, it is clear that the message from Mr. D'Ambrosio referenced at paragraph 116 above did not meet the test established by the case law of CAS and the FIFA DRC (with reference to the applicable FIFA Regulations and guidance) to constitute a valid waiver of Potenza's right to training compensation in this case.
130. The Appellant's argument on this point accordingly fails in its entirety. Potenza's entitlement to training compensation was not validly waived.

iv. Did the Player evidently complete his training prior to his registration with the First Respondent, such that no – or reduced – training compensation is due?

131. The Sole Arbitrator now turns to the question of whether the Player evidently completed (i.e. terminated) his training period prior to the age of 21 and before joining Potenza.

132. In this respect, Article 1.1 of Annex 4 FIFA RSTP provides as follows:

“A player’s training and education takes place between the ages of 12 and 23. Training compensation shall be payable, as a general rule, up to the age of 23 for training incurred up to the age of 21, unless it is evident that a player has already terminated his training period before the age of 21. In the latter case, training compensation shall be payable until the end of the calendar year in which the player reaches the age of 23, but the calculation of the amount payable shall be based on the years between the age of 12 and the age when it is established that the player actually completed his training.”

133. Further, Article 2.1(b) of Annex 4 FIFA RSTP provides that training compensation is due when *“a professional is transferred between clubs of two different associations (whether during or at the end of his contract) before the end of the calendar year of his 23rd birthday”*. This is evidently the case here, as the Player transferred in August 2022 at the age of 22 following the end of his contract with Potenza (under the FIGC) to Real Salt Lake (under the USSF).

134. The Sole Arbitrator notes that the salient question is therefore not whether the Player had completed his training period prior to joining Real Monarchs, (as referred to by the Appellant in places in its Appeal Brief) but whether it is evident that he had completed his training period prior to the age of 21. In other words, whether Potenza had in fact contributed to the training education of the Player, something which would warrant financial compensation from the Appellant. FIFA’s Commentary on the RSTP (2023 edition) states that the word “evident” here sets a deliberately high threshold: an early completion of training is to be recognised only where there is absolutely no room for doubt.

135. Further, there is a significant body of case law from previous FIFA DRC and CAS decisions on the topic of when a player is considered to have evidently terminated (i.e. completed) his training period. See, for example, CAS 2003/O/527, CAS 2004/A/594, CAS 2006/A/1029, CAS 2011/A/2682, CAS 2014/A/3518, CAS 2014/A/3553, CAS 2017/A/5090, CAS 2018/A/5513, and CAS 2019/A/6096. In the majority of decisions, the early termination of the training period was not established. One of the few decisions where the termination of training was proven was the FIFA DRC decision of 12 March 2012, no. 3121474 (FC Lugano SA v. FC Internazionale Milano S.p.A).

136. Nevertheless and in accordance with the guidance in FIFA’s Commentary on the RSTP (2023 edition, at page 365 et seq.) and such established FIFA DRC and CAS jurisprudence, and as set out in the Appealed Decision, the assessment of early training completion proceeds by reference to a non-exhaustive set of criteria, to be assessed on a case-by-case basis, including but not limited to:

- (a) the conclusion of a first professional contract;
 - (b) regular appearances in official matches for the senior/first team;
 - (c) call-up to a senior or U-21 national team;
 - (d) a loan against a transfer fee to an equivalent or higher club;
 - (e) the player's age; and
 - (f) a prior professional transfer against a significant transfer fee.
137. Several criteria must be simultaneously satisfied in order for a player to be judged to have completed his training period. The fulfilment of a single criterion is, as a general rule, insufficient. The burden of proof in this case that the Player had already completed his training period in the context of application of such criteria rests on the Appellant.
138. Having regard to the foregoing, the Sole Arbitrator finds that the Appellant has not discharged its burden of establishing, to the applicable standard of comfortable satisfaction, that the Player evidently completed his training prior to his registration with Potenza. Of the criteria in the applicable FIFA DRC framework, the Appellant relies principally on criteria (a) the conclusion of a first professional contract; and (b) regular appearances in official matches for the senior/first team. However, the evidence presented in respect of these criteria is meagre. In particular, no evidence is presented to suggest that the Player ever appeared in a senior/first team match for A.S. Roma, or had played in an official match at anything higher than youth level prior to him joining Potenza. On the contrary, the little evidence presented suggests that the Player was considered a member of the youth/junior/reserve team set up while at A.S. Roma, indicative of his ongoing training at that time.
139. Further, the Player's career trajectory at the relevant time is, in any event, a powerful counter-indicator to him evidently having completed his training prior to joining Potenza. The Player transferred from A.S. Roma (a club competing in the Serie A, the first division of Italian professional football), to Potenza (a club competing in the Serie C, the third division). This descending trajectory strongly suggests that the Player, at the time of joining Potenza, was still in need of playing opportunities and further development, and had not attained the professional maturity that would justify a finding of evident training completion.
140. The remaining criteria (c) – (f) above are neither pleaded nor established by evidence. The cumulative requirement of the applicable jurisprudence is clearly not met. As such, there is no evidential basis to find that the Player had evidently completed his training prior to the age of 21 or joining Potenza. The Appellant's submission on early training completion accordingly fails.
141. In this context, the Sole Arbitrator is satisfied that Potenza contributed, in principle, to his further education and training, prior to his transfer to Real Monarchs/Real Salt Lake. In accordance with the terms of Annex 4 of the FIFA RSTP, this inter-association transfer

of the Player's registration was one which triggered the obligation to payment of training compensation by the new club. In accordance with the terms of those regulations, the full training period at Potenza (from 8 September 2020 to 31 December 2021) is to be taken into account for the purposes of calculating this training compensation, corresponding to 480 compensable days: 115 days in the calendar year of the Player's 20th birthday (8 September 2020 to 31 December 2020) and 365 days in the calendar year of his 21st birthday (the full year 2021).

142. The Sole Arbitrator further notes that the Appellant submits that the Appealed Decision contains a factual error regarding the Player's date of birth – recording it as 11 February 2002 rather than 29 May 2000 – and that this error materially affects the calculation of the training compensation period. The Sole Arbitrator accepts without difficulty that the correct date of birth is 29 May 2000. This is corroborated by the date of birth on the Player's employment contract, the Player's entrance physical examination form, the transfer agreement with Elite Falcons Football Club, and the WhatsApp message attributed to Mr D'Ambrosio (each provided by the Parties). The First Respondent does not appear to contest that the Player's correct date of birth is 29 May 2000.

143. What the Sole Arbitrator does not accept, however, is the Appellant's further submission that this error brings into question the factual reliability of the FIFA DRC's findings. Under Annex 4 FIFA RSTP, training compensation is owed for the calendar years of the Player's 20th and 21st birthdays, and only to the extent that the Player was registered with the training club during those calendar years. On the basis of the correct date of birth of 29 May 2000, the relevant calendar years are 2020 (year of the Player's 20th birthday) and 2021 (year of the Player's 21st birthday). The Player was registered with Potenza from 8 September 2020 to 30 June 2022. The compensable period therefore runs from 8 September 2020 to 31 December 2020 (115 days) and from 1 January 2021 to 31 December 2021 (365 days) – a total of 480 days. This is precisely the calculation the FIFA DRC carried out. The fact that the FIFA DRC awarded the sum of USD 52,459 is conclusive evidence that the FIFA DRC conducted its calculation on the basis of the correct date of birth, notwithstanding the typographical error in the rubric of the Appealed Decision.

v. What is the proper categorisation of the registering club for the purposes of calculating training compensation, and what is the correct amount due?

144. Pursuant to Article 20 and Annex 4 FIFA RSTP, training compensation is calculated on the basis of the training costs of the “*new club*”, determined by reference to the category assigned to it by its member association in accordance with FIFA guidelines (typically provided to clubs in form of FIFA Circulars).

145. In particular, Article 4, Annex 4 FIFA RSTP provides:

“1. In order to calculate the compensation due for training and education costs, associations are instructed to divide their clubs into a maximum of four categories in accordance with the clubs' financial investment in training players. The training costs are set for each category and correspond to the ANNEXE 4 85 amount needed

to train one player for one year multiplied by an average “player factor”, which is the ratio of players who need to be trained to produce one professional player.

2. *The training costs, which are established on a confederation basis for each category of club, as well as the categorisation of clubs for each association, are published on the FIFA website (www.FIFA.com). They are updated at the end of every calendar year. Associations are required to keep the data regarding the training category of their clubs inserted in TMS up to date at all times (cf. Annexe 3, article 5.1 paragraph 2).”*
146. In this respect, FIFA Circulars 1249 and 1763 make clear that clubs affiliated with the USSF may be placed into one of three categories – Category II, Category III and Category IV. The specified training compensation costs for each of these categories for the relevant period (as specified in FIFA Circular 1763) are as follows:
- Category II – USD 40,000 per year;
Category III – USD 10,000 per year;
Category IV – USD 2,000 per year.
147. As reasoned and determined at length under point ii. above, in this case Real Monarchs and Real Salt Lake to be considered as one single “club” for the purposes of training compensation under the FIFA RSTP. Further, the Sole Arbitrator notes that FIFA Circular 1763 states that “*FIFA will only recognise the category assigned to a club in TMS. This shall prevail over any conflicting categorisation*”. In this case, as established above, the Appellant’s TMS account is solely in the name of Real Salt Lake. It is self-evident that Real Salt Lake, as a club competing in the MLS (being the highest league of professional football in the U.S.) squarely meets the definition of a Category II club contained in FIFA Circular 1249 of “*all second-division clubs of member associations in category I and all first-division clubs in all other countries with professional football*”. On the face of it, it appears self-evident that the only logical conclusion in respect of this question is that training compensation should be calculated on the basis of the category in which Real Salt Lake is placed – namely Category II.
148. However, the Sole Arbitrator notes that, in the Appealed Decision, the FIFA DRC calculated the training compensation based on the separate wording of FIFA Circular 1249, which allows the FIFA DRC to depart from the amount of training compensation specified by the categorisation of the new club and calculate a different amount, “*in cases of manifest discrepancy between the categorisation assigned by the national association and the actual training costs of a club*”. This FIFA Circular also states that there is “*some degree of flexibility*” in the categorisation of clubs: “*for example, a club in a lower division may be placed in a higher category with clubs of a higher division if it makes a similar investment to those clubs in training young players*”. The application of this “*manifest discrepancy*” test was also followed in the previous FIFA DRC cases involving Real Monarchs/Real Salt Lake (TMS 9733 and TMS 9736).
149. This approach begs the question of whether it is possible, in principle, for the training compensation in the case of a single “club” which in fact comprises multiple “parent” and “feeder” teams, competing in different divisions and placed in different categories, to be

based on anything other than the categorisation of the “parent” team (i.e., the team in the higher category). In other words, whether the training compensation in this case could be based on anything other than Real Salt Lake’s status as a Category II club.

150. The Sole Arbitrator notes that this question was not addressed in CAS 2024/A/10785, which has been of helpful application elsewhere in this Arbitral Award. In that case, the calculation of training compensation was referred back to the FIFA DRC, though in doing so the Sole Arbitrator noted that *“in any event, the calculation of training compensation depends on the categorisation of the new club”*.

151. In respect of the principles behind calculation of training compensation Article 5(1)-(2) Annex 4 FIFA RSTP provides:

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

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

152. Further, to return to FIFA’s Commentary on the RSTP (2023 edition, at page 388), also cited in CAS 2024/A/10785:

“The basis for calculating the training compensation due should be the training costs that would have been incurred by the new club had it trained the player itself, rather than acquiring their services from the training club. The aim of this provision is to ensure that clubs are not incentivised simply to recruit young players, rather than training and educating these players themselves. This ensures that clubs with more financial clout will also continue to invest in training and developing young players.”

153. Notwithstanding the question of whether such a distinction between the training category of separate “parent” and “feeder” teams within a single “club” is in principle possible under FIFA’s regulations – and based on the principle that to calculate the training compensation due to a player’s former club(s) it is necessary to take the costs that would have been incurred by the new club if it had trained the player itself – for any such argument to succeed in practice, the Sole Arbitrator would need to be comfortably satisfied (with the burden here being on the Appellant) that the training costs associated with a player in the Real Monarchs team would be substantively different from those of a player in the Real Salt Lake team. The Sole Arbitrator would also need to be comfortably satisfied of a clear and consistent separation of the training environment and facilities provided to the players of the teams involved.

154. In fact, the evidence submitted by the Parties on this point in the proceedings speaks to the contrary. The evidence strongly indicates a significant degree of overlap between the

training and development facilities provided to players of Real Monarchs and those of Salt Lake. Indeed, Real Salt Lake's own website states:

“Zions Bank Training Center and the Real Salt Lake Academy offers a world-class sporting environment both inside and out. Inside the largest, pre-engineered, free-standing steel structure in North America, ZBTC boasts 210,000 square feet of artificial playing surface, providing ample space for games and practices with the facility being powered by 56,000 square feet of solar paneling located on top of the facility. Outside, five pristine natural-grass fields sit along the north side of the facility where Real Salt Lake, Real Monarchs SLC, and the RSL Academy train. Indoor and outdoor training facilities are complemented by the onsite RSL Academy High School and a live-in Academy dormitory, thus completing the most ambitious soccer-specific developmental facility in the country.”

155. In the Appealed Decision, the FIFA DRC also found that Real Monarchs and Real Salt Lake shared training facilities and staff (as well as a TMS account and website). As such, many or all of the training costs which are invested by Real Salt Lake are likely to be of ultimate benefit to players of both teams. This appears entirely logical within the framework of a “feeder” – “parent” team relationship, where one of the potential benefits of such a setup is to provide a player development pathway for Real Salt Lake, with promising youth players being developed in the Real Monarchs team for potential future inclusion in the first team of Real Salt Lake and/or potential sale. From the perspective of the Sole Arbitrator, the Appellant's submissions regarding separate locker rooms and coaching offices, separate medical and athletic training staff, separate equipment throughout, and the absence of any overlap in coaching staff are insufficient to disprove a significant degree of overlap between the training and development facilities. Rather, they describe a situation entirely typical of a “feeder” – “parent” team relationship and do not, therefore, establish the independence required to distinguish Real Monarchs from Real Salt Lake for the purposes of the FIFA training compensation regulations. Although Mr. Caldwell for the Appellant described that Real Monarchs is required to pay a rental fee for the use of natural grass pitches that are also used by Real Salt Lake, documentary evidence supporting these payments – such as invoices, bank statements, or contractual documents – were not provided.
156. What is more, from a teleological perspective, much of the rationale advanced by the Sole Arbitrator at paragraph 112 above in the context of question ii. also applies in this context. It would be inherently and substantively unfair and damaging to the objectives of FIFA's training compensation system if a “parent” team in a higher compensation category such as Real Salt Lake would be able to reduce its liability for training compensation to other clubs to that of its “feeder” team in a lower compensation category, while in fact still retaining ultimate control and/or benefit from such a relationship. Such an outcome would be fundamentally incompatible with FIFA's espoused objectives in the training compensation system, and disincentivise other clubs (who do not have the benefits of such a system) from investing in youth development.
157. Leaving open the question of whether or not a categorisation based on anything other than that of the “parent” team on an alternative set of facts would be possible in principle, the Sole Arbitrator is clear that, in this case, based on all the evidence presented, the correct

categorisation of the Appellant for training compensation purposes is that of a Category II club. There is no need for a recategorisation exercise under the “manifest discrepancy” test. Having established that the two separate legal entities in this case constitute one single “club”, the category of that club for training compensation purposes flows directly from the category of the “parent” team - Real Salt Lake. The Sole Arbitrator further notes that the prior FIFA DRC decisions in TMS 9733 and TMS 9736 reached the same outcome – namely, Category II – even when approaching the question via the “manifest discrepancy” route.

158. On the basis of the above reasoning, the Sole Arbitrator concludes that the applicable categorisation is that of Real Salt Lake. Real Salt Lake competes in Major League Soccer, the first division of professional football in the U.S. and a CONCACAF Category II competition. As referenced above, the daily training compensation rate under Category II is USD 109.59 (USD 40,000 / 365). The training compensation is accordingly calculated as follows:

Parameter	Value
Training period — calendar year of Player's 20th birthday	115 days (8 September 2020 – 31 December 2020)
Training period — calendar year of Player's 21st birthday	365 days (full year 2021)
Total compensable days	480 days
Daily rate (Category II, CONCACAF)	USD 109.59 (= USD 40,000 / 365)
Calculated amount	USD 52,602.74
Amount awarded (non ultra petita)	USD 52,459.00

159. The calculated amount of USD 52,602.74 marginally exceeds the sum of USD 52,459 claimed by the First Respondent. In accordance with the principle of *non ultra petita*, the Sole Arbitrator awards the amount of USD 52,459, as claimed. The Sole Arbitrator further confirms interest at 5% per annum as from 30 September 2022 until the date of effective payment.

C. Conclusions on the Merits

160. In light of the above, the Sole Arbitrator concludes as follows:

- The Appellant has standing to bring the present appeal. Real Monarchs is sufficiently affected by the Appealed Decision, and a tangible interest of a financial and sporting nature is at stake.
- Real Monarchs and Real Salt Lake are, for the purposes of the training compensation system under the FIFA RSTP, one single “club”.

- The alleged WhatsApp communication of 30 August 2022 does not constitute a valid waiver of Potenza's entitlement to training compensation; the Appellant's waiver argument accordingly fails.
- The Player did not evidently complete his training prior to the age of 21; the full 480-day training period with Potenza falls within the compensable period.
- The applicable categorisation is Category II (CONCACAF) for training compensation purposes; the training compensation amounts to USD 52,459, plus interest at 5% per annum as from 30 September 2022 until the date of effective payment.

161. The Appealed Decision is, in all material respects, confirmed. The appeal filed by Real Monarchs is dismissed.

X. COSTS

(...)

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ON THESE GROUNDS

The Court of Arbitration for Sports rules that:

1. The Appeal filed by Real Monarchs Football Club against the decision rendered by the Dispute Resolution Chamber of the FIFA Football Tribunal on 17 April 2025 is dismissed.
2. The decision rendered by the Dispute Resolution Chamber of the FIFA Football Tribunal on 17 April 2025 is confirmed.
3. (...).
4. (...).
5. All other and further motions or prayers for relief are dismissed.

Seat of arbitration: Lausanne, Switzerland

Date: 26 August 2026

THE COURT OF ARBITRATION FOR SPORT

Martin Schimke
Sole Arbitrator