CAS 2025/A/11258 Dritan Mehmeti v. Football Club Dinamo City

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Dr Thomas Hollerer, Lawyer in Vienna, Austria

in the arbitration between

Dritan Mehmeti, Tirana, Albania

Represented by Mr Paolo Lombardi, Mr Ian Laing, Mr Luca Pastore and Ms Emily Anne Williams, Attorneys-at-Law, Lombardi Associates Limited, Edinburgh, United Kingdom

Appellant

and

Football Club Dinamo City, Durrës, Albania

Represented by Mr Enton Lita, Attorney-at-Law, Tirana, Albania

Respondent

I. PARTIES

1. Mr Dritan Mehmeti (the "Appellant" or the "Coach") is a professional football coach of Albanian nationality, born on 9 January 1980, who currently lives in Tirana (Albania).

2. Football Club Dinamo City (the "Respondent" or the "Club") is an Albanian football club, affiliated to the Football Association of Albania ("AFA"), with its seat in Durrës, Albania. The AFA is the national football governing body in Albania. It has its seat in Tirana, Albania, and is affiliated to the *Union des Associations Européennes de Football* ("UEFA") and the *Fédération Internationale de Football Association* ("FIFA").

3. The Appellant and the Respondent shall individually be referred to as a "Party" and, collectively, as the "Parties".

II. FACTUAL BACKGROUND

A. Background Facts

4. Below is a summary of the main relevant facts and allegations based on the Parties' written submissions, pleadings and evidence adduced in writing and/or at the hearing. Additional facts and allegations found in the Parties' written submissions, pleadings and evidence as well as at the hearing may be set out, where relevant, in connection with the legal discussion that follows. While the Sole Arbitrator has considered all the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, he refers in his Award only to the submissions and evidence he considers necessary to explain his reasoning. For the sake of clarity, it is pointed out that typographical errors in the submissions are not corrected; where deemed appropriate, they are marked with "(*sic*)".

5. On 25 October 2023, the Parties signed an employment contract for a professional coach (the "Employment Contract"). The Club employed the Appellant as a "[…] *'Sports Specialist', who will provide the service of the Professional First Team Coach, at the club 'Football Club Dinamo City', in accordance with Law no. 79/2017 'On Sports', of amended, according to the conditions and deadlines provided in this Contract* […]" [official translation from Albanian into English].

6. Article 1 of the Contract further states that:

> *"[...]*
> *3. An integral and integral (sic) part of this contract are:*
> *a. Statute and regulations of the Albanian Football Federation.*
> *b. UEFA and FIFA Statutes and Regulations (including the IFAB Laws of the Game).*
> *c. Law no. 79/2017 "On Sports", amended.*
> *d. Code of Ethics, Code of Sports Discipline, Licensing Regulation of Clubs for Participation in AFL Activities.*

e. Club Regulations.
f. Legislation on labour and service relations in the Republic of Albania.

4. *The coach agrees to strictly implement the statutes and regulations mentioned above for everything that is in accordance with Albanian legislation.*

5. *The coach accepts that the regulations and disciplinary codes approved by the Club were made available to him and after reading them, they were explained to him before signing the contract as well as the regulations of the AFF (Albanian Football Federation), UEFA and FIFA.*

6. *The coach accepts the disciplinary authority of the Club and he is subject to the decisions of the Club's administrative bodies, as well as the football authorities mentioned above (Albanian Football Federation, UEFA and FIFA) for everything that is under their jurisdiction."*

7. Article 3.2. defines that "*[…] The place of work shall be considered the training facilities and other facilities of the Club. Despite this, the Club has the right to ask the Coach to serve in any other place, in accordance with the needs of his participation in football activities where the Club participates, excluding other age teams. […]*".

8. The general obligations of the Coach in Article 4 *inter alia* include: "*[…] In accordance with these principles, the Trainer is subject to the following specific obligations:*

a) Participate in all activities and trainings near the Club, provided for him; in all meetings and in any other organization in order to prepare the best quality matches in the competitions where this team participates, excluding other teams of the academy; […]

d) The coach must wear the Club´s uniform in all sports environments (matches, training sessions or days spent in the training camp), as well as give interviews in print and electronic media whenever ordered by the Club´s administration, based on the Club´s Code of Discipline and respecting the Club´s agreements with its Partners. […]

f) Obligations that the Coach shall be subject to, in addition to the legal obligations provided for in the Labour Code of the Republic of Albania, are provided for in the Regulations of Football Club Dinamo City, The Internal Regulations of the Club "On the Players, the Coach, the Technical Staff, the maintenance personnel and other subjects of the First Professional Team of the Club", the Internal Regulations of the Club, etc., existing or future. [...]

g) The coach must work closely with the staff of the U19 team, as the training of the U19 team players shall serve directly with the first team he leads."

9. Article 5.6 of the Contract provides that: "*[…] The coach authorizes the Club to use his personal rights and to use them individually or collectively.*".

10. The termination clause in Article 8 forsees that the club can terminate the agreement:

"[…] - For serious violations by the coach according to the provisions of the Internal Regulations;

- When the coach violates contractual obligations; […]"

11. In case of disputes, Article 9 states:

"1. This contract is regulated by Albanian Civil Legislation as well as by Collective Contracts and/or statutes and/or regulations mentioned in Article 1.

2. In the event that disputes arise between the parties, they shall be subject to reaching an understanding. Otherwise, only the National Chamber of Conflict Resolution, next to the AFF shall be competent for the resolution of their disputes."

12. Article 10.4. sets that "*This contract is drawn up in 3 (three) copies […] of which 1 (one) copy is kept by the Club, one copy by the second Party and one copy is deposited with the Albanian Federation of Football.*".

13. Due to Article 7, the Club had to pay the Coach a salary of EUR 1,000 net (one thousand) "as well as the share of taxes and other health and social contributions which shall be paid by the Club". (emphasis added)

14. The contract was concluded for a fixed term, starting on 25 October 2023 and ending on 31 May 2024.

15. However, if the team would stay in the first Albanian League, the contract would automatically renew from 1 June 2024 until 31 May 2025 with the same conditions.

16. At the same time, the Parties concluded the following Image Agreement, only containing 2 Articles and 1 point Miscellaneous (the "Image Agreement"):

"[…]Article 1: Term of the agreeement

This agreement is concluded for a specified period, starting from 25.10.2023 to 31.05.2024. This contract is automatically renewed for the 2024-2025 season as well, in case the Team secures status in the Superior Category for the 2023-2024 season, starting from 01.06.2024 to 31.05.2025.

Article 2: Payment terms

a. For the first year of the Agreement from 25.10.2023 to 31.05.2024:

- The coach shall benefit from the Club a monthly remuneration for the right of the image in the value of 2,500 (Two thousand and five hundred) euros net. (emphasis added)

- In the event that the contract is renewed for the 2024-2025 season, the Coach shall receive from the Club a monthly remuneration for the right of the image in the value of 3,000 (Three thousand) euros net. […] (emphasis added)

Miscellaneous:

[…]d. This contract is drawn up in 2 (two) copies in the Albanian language, all with the same legal value, of which 1 (one) copy is kept by the Club and 1 (one) copy by the Coach.

e. This agreement is also based on the employment contract between the parties […]" (emphasis added).

17. The respective amounts under both contracts were generally paid via bank wire transfer for the employment contract and in cash for the image agreement.

18. As the Club remained in the First League after the 2023/24 season, both contracts were automatically prolonged until 31 May 2025.

19. On 27 August 2024 the Appellant together with Mr. Corrado Saccone, the athletic coach, was summoned to the training venue. At the meeting, he was informed that disciplinary measures had been taken against him for alleged misbehaviours.

The same day, the Coach received through Email a document titled "Decision of Dinamo City Football Club", which reads as follows:

"[…] The presidency of the Dinamo City Football Club, after evaluating the situation that has unfolded recently including negative results during the championship performance, also seeing that on the part of the technical staff there have been positions held which go against the club policy more specifically on the part of coach Dritan Mehmeti and athletic trainer Corrado Saccone, who have violated the club regulations by leaving the team gathering without notifying the club director on 18/08/2024 based on ascertainment of the record dated 18/08/2024 as well as statements made to the media, statements which are based on untrue facts regarding actions of the club in the market, arrogant behaviour toward the managing staff, assessing this to be a situation which is abnormal and harmful to the future progress of our work and achievement of expected sports results

DECIDED

1. *To suspend coach Dritan Mehmeti from his duty as a coach of the first team, because of poor results, abandoning the team gathering without notifying the managing staff as well as making untrue statements in the media and appointing him as a coach to the U21 team fulfilling the conditions of the contract entered into by the parties.*

2. *To give a severe warning to athletic trainer, Corrado Saccone, for an inappropriate response towards the club managing staff and abandonment of the team gathering without prior notification to the managing staff.*

3. *This decision enters into effect on 27.08.2024"* (free translation).

20. On 28 August 2024 the Appellant wanted to carry out his duties as a head coach of the first team but was not allowed to do so.

21. Consequently, the Coach sent an email to the Respondent asking for *"[…] The immediate and unconditional cancellation of the decision to suspend me from the first team […]"* and the *"[…] immediate and unconditional return to the first team […]"*. Moreover, *"[…] If the Club, within 5 days upon receipt of this letter, fails to execute the requests referenced above, I will give the Club a second notification and if the latter would still not fulfil the requests, I have the right to consider the termination of the contract in a partial manner by your side, as well as I have the right to notify the Club about the termination of the contract for a legal reason and further on the case would be sent to the respective judicial organs where in addition to my compensation the punishment of the Club will be required as well. […]"* [free translation].

22. In the meantime, Mr Ejoni Xhafa, director of the Club's Academy, had been appointed to coach the first team and to take over the Appellant's duties.

23. On 2 September 2024, the Appellant sent the mentioned second notification to the Club and gave it a 10-day deadline to cancel its decision and let him return to the first team.

24. A series of email exchanges between the Parties followed, but the Appellant was not allowed to act as head coach of the first team.

25. On 12 September 2024, Mr Ilir Daja – a former coach of the Club who had also played there for 10 years – was officially presented as the new head coach.

26. Since the Appellant was no longer head coach of the Club, on 13 September 2024, he terminated both contracts unilaterally.

B. Proceedings before the National Dispute Resolution Chamber

27. On 25 September 2024, the Coach filed a claim before the AFA National Dispute Resolution Chamber (the "NDRC").

28. The Appellant requested:

"I. Full acceptance of the Complaint submitted by the Coach

II. The Club's obligation to pay the Coach the salary of the month of August 2024, in the amount 4.500 Euro, plus 10% annual interest from September 10, 2024 until the date when the payment is made full and effectively;

III. The obligation of the Club to pay the Coach the amount of 45,000 Euro as compensation for the immediate, unjustified and without reasonable cause termination of the employment contract, plus 10% annual interest from the date when the termination of the contract was notified by the Coach on 13/09/2024 until the date when the payment is made fully and effectively. "

29. On 29 October 2024 the NDRC issued the following decision, in accordance with Albanian Labour Law (the "NDRC Decision"):

"1. To partially accept the lawsuit.

2. FC Dinamo City sha shall pay the plaintiff the salaries unpaid in the amount 8.745 (eight thousand and seven hundred forty five) Euro due to the immediate and unjustified termination of the employment contract.

3. The respondent FC Dinamo City sha shall pay the plaintiff the salary for the part of the image for the month of August 2024 in the amount of 3.000 (three thousand) Euro.

4. The lawsuit shall be dismissed for the other requirements.

5. Judicial expenses, proven as made by the plaintiff, shall be charged to the respondent FC Dinamo City sha in proportion to the value accepted of the lawsuit, in the amount of 30% of them.

6. Against this decision shall be appealed at the Court of Sports Arbitrage, recognized by the FSHS, CAS Lozane, Switzerland, within 21 days from the day this reasoned decision was served." [free translation]

30. The NDRC partially accepted the claim, holding that the Club had terminated the Employment Contract unilaterally without just cause.

31. However, regarding the Image Agreement, the NDRC stated that *"[…] The arbitration chamber deems that the other claims of the Claimant cannot be accepted. The payment of the image is governed by the agreement dated 25.10.2023, according to which FC Dinamo City agreed to pay an amount of 2,500.00 (two thousand five hundred) Euro per month and if the contract was renewed for the period 2024-2025, the payment would be 3,000.00 (three thousand) Euro per month. For as long as the employment contract lasted, the payment was made according to the image agreement dated 25.10.2023. With the unilateral termination of the labour relations, the plaintiff is no longer objectively able to reflect the image of the team and FC Dinaino (sic) City, since he is no longer part of this staff. According to the agreement, the payment is made only if the image of the defendant is reflected by the plaintiff to third parties, which after the termination of the legal relation that the parties have with each other, we are not in front of the reflection of this image. The payment for the image for the month of August, which was given to him by the respondent FC Dinamo City, must be executed by the latter due to the existence of the relation that the parties had in this period. […]"*.

32. The NDRC Decision was notified on 12 December 2024.

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

33. On 3 January 2025 (2 January 2025 was a public holiday in Edinburgh) the Coach submitted his Statement of Appeal against the NDRC Decision with the Court of Arbitration for Sport ("CAS") against the Club in accordance with Articles R47 and 48

of the CAS Code of Sports-related Arbitration (the "CAS Code"). The Appellant requested the case to be submitted to a Sole Arbitrator with English as the language of the proceedings.

34. In parallel, the Appellant filed an application for Legal Aid with the CAS Court Office and requested that the time limit to file the Appeal Brief be suspended until a decision was made regarding his Legal Aid application.

35. On 24 March 2025, the Athletes' Commission of the International Council of Arbitration for Sport ("ICAS") issued an Order accepting the Request for Legal Aid.

36. Also on 24 March 2025, the CAS Court Office invited the Respondent to comment on the Appellant's request to submit the matter to a Sole Arbitrator and advised the Respondent that, unless it objected, the language of the proceedings would be English.

37. Moreover, the CAS Court Office advised the AFA that an appeal had been lodged against the NDRC Decision and invited it to comment on whether it intended to participate as a party in the present arbitration pursuant to Article R 41.3 of the CAS Code. The AFA did not file a reply.

38. In the absence of answer from the Club, pursuant to Article 50 of the CAS Code, the President of the CAS Appeals Arbitration Division decided to submit the case to a Sole Arbitrator and English was confirmed as the language of the proceedings.

39. After having been granted an extension and in accordance with Article R51 of the CAS Code, the Appellant filed his Appeal Brief on 9 April 2025.

40. On 16 April 2025, the Respondent filed its answer.

41. On 6 May 2025, on behalf of the President of the CAS Appeals Arbitration Division and pursuant to Article R54 of the CAS Code, the CAS Court Office informed the Parties that the Sole Arbitrator appointed to this case was constituted as follows:

    Sole Arbitrator: Dr Thomas Hollerer, Attorney-at-Law in Vienna, Austria

42. On the same day, both Parties were requested to state whether they preferred a hearing to be held or for the Sole Arbitrator to issue an award based solely on the Parties' written submissions.

43. As the Appellant was in favour of a hearing, but the Respondent not, the Sole Arbitrator decided on 11 June 2025 that a hearing will take place by videoconference.

44. After consultation with the Parties, the date for the hearing was set for 21 August 2025.

45. The Appellant signed the Order of Procedure on 29 July 2025.

46. The Respondent signed the Order of Procedure on 2 August 2025.

47. On 21 August 2025, the hearing was held by videoconference. The Sole Arbitrator was assisted by Ms Delphine Deschenaux-Rochat, CAS Counsel, and joined at the hearing by the following persons:

- For the Appellant:
  Mr Dritan Mehmeti, the Appellant;
  Mr Paolo Lombardi, Counsel for the Appellant;
  Mr Luca Pastore, Counsel for the Appellant;
  Ms Emily Anne Williams, Counsel for the Appellant;
  Mr Corrado Saccone, Witness;
  Ms Samantha Cipollina, Translator.

- For the Respondent:
  Mr Enton Lita, Counsel for the Respondent.

48. At the hearing, as a preliminary matter, the Parties confirmed that they had no objections as to the jurisdiction of the CAS and to the constitution of the Sole Arbitrator.

49. The Parties agreed on the hearing procedure, and no preliminary issues were raised.

50. The Parties made submissions in support of their respective points of view and answered the questions posed by the Sole Arbitrator.

51. The Sole Arbitrator heard the testimony of:

Mr Dritan Mehmeti, party;

Mr Corrado Saccone, witness, called by the Appellant.

52. The Parties were given the opportunity to present their cases, to make their submissions and arguments and to answer questions asked by the Sole Arbitrator. At the conclusion of the hearing, the Parties confirmed that they had no complaint regarding the conduct of the proceedings.

IV. SUBMISSIONS OF THE PARTIES

53. The following summary of the Parties' positions is illustrative only and does not necessarily comprise each and every contention put forward by the Parties. The Sole Arbitrator, however, has carefully considered all the submissions made by the Parties both in writing and at the hearing, even if no explicit reference is made in what immediately follows.

A. The Coach's Position

54. In his Appeal Brief, the Appellant made the following prayers for relief:

"A) SET ASIDE the NDRC Decision;

B) ISSUING a new decision pursuant to Article R57 of the CAS Code;

C) ASCERTAINING that Mr Dritan Mehmeti unilaterally terminate the Official Employment Contract and the Image Agreement with just cause;

D) CONFIRMING that Futboll Club Dinamo is obliged to pay Mr Dritan Mehmeti compensation equal to the remaining value of both, the Official Employment Contract and the Image Agreement;

E) ORDERING Futboll Club Dinamo to pay Mr Dritan Mehmeti compensation amounting to € 40,309,27 (fourty thousand, three hundred nine euros, twenty-seven cents), or the different amount determined by the Sole Arbitrator;

F) ORDERING Futboll Club Dinamo to pay Mr Dritan Mehmeti interest of 10% per annum, or the different interest determined by the Panel, calculated:
- *on the compensation for breach of contract: from the termination of the employment relationship and until the date of effective payment;*
- *on the reimbursement of the procedural costs related to the dispute before the NDRC: from the date of the issuance of the NDRC Decision and until the date of the effective payment;*

G) ORDERING Futboll Club Dinamo to bear any and all procedural costs related to these proceedings."

55. In summary, the Appellant does not contest the NDRC's assessment related to the termination of the Employment Contract; however, Mr Mehmeti firmly sustains that the Image Agreement was an integral part of the Employment Contract. As a matter of fact, the Image Agreement had been merely brought in as a payment means that would allow Futboll Club Dinamo to minimise its tax burden.

56. The Coach basically submitted the following arguments in support of its appeal:

a. He concurs with the findings of the NDRC that the Employment Contract had been unilaterally terminated by the Club without just cause, which thus violated Article 155 of the Albanian Labour Code (ALC).

b. This is, because due to Article 149 par. 1 ALC, a fixed-term contract should only terminate at the agreed end date, unless both parties mutually agree otherwise, or the conditions for an unilateral termination as outlined within the contract are met.

c. The Respondent's unilateral decision to transfer the head coach to the U-21 team without his consent did not meet those conditions and was unlawful according to the ALC.

d. The same conclusion would be reached by applying Article 4 of Annexe 2 of the FIFA Regulations on the Status and Transfer of Players (the "FIFA RSTP").

e. However, the Employment Contract and the Image Agreement are linked and both regulate the employment relationship between the Parties as the purpose of the Image Agreement was to make up the difference via a disguised salary between the amount agreed for in the offer and the amount provided by the Employment Contract. Therefore the Image Agreement shall be read in conjunction with the Employment Contract.

f. This was the normal *modus operandi* of the Club. Above all the image rights were never exploited, the contract did not even contain any provision related to the alleged exploitation of the rights. What is more, also routine contractual clauses such as termination, governing law or dispute resolution are missing.

g. CAS Panels already have ruled that separate image rights agreements can indeed integrate the employment relationship between a player and a club, with some of the relevant criteria ("connecting elements") to support such a conclusion being:

- that the employment contract and the image rights agreement jointly corresponded to the club's initial proposal, they were signed simultaneously and that the image rights agreements contain no other provision apart from payments to the player (*CAS 2015/A/3923*); and

- that the image rights agreement did not contain usual contractual clauses – such as dispute resolution, governing law or termination – and the club never used the image of a certain player (*CAS 2015/A/4039*).

h. Applying both Albanian law (Article 155 ALC) and Article 6 of Annexe 2 to the FIFA RSTP, the Respondent must pay to the Appellant as compensation the residual value of the employment relationship, which in this case integrates both the official Employment Contract and the Image Agreement.

i. Due to Article 120 ALC, the annual interest rate to be applied to this amount is 10% per annum, starting from the due date of each month's salary.

57. At the hearing, the Appellant clarified that he reduced his claims to EUR 39,309.27 (instead of EUR 40,309.27) as a payment of EUR 1,000 by the Club had mistakenly not been taken into account.

B. The Club's Position

58. The Club submitted the following prayers for relief: *"Under these conditions, we assess that the lawsuit, as unsupported by facts and evidence, should be dismissed by the CAS."*

59. Its main reasons for this point of view are:

a. The appeal is inadmissible, since the 21-day deadline foreseen in the NDRC Regulations was not respected. Indeed, the Statement of Appeal was submitted on 3 January 2025 instead of 2 January 2025.

b. The Employment Contract and the Image Agreement were the result of a genuine agreement between the Parties and not a request from the Club to avoid paying taxes.

c. The decision to suspend the head coach and transfer him to the U-21 team respected the terms of the Employment Contract and was triggered by inappropriate behaviour, such as leaving the team meeting, and most importantly by very poor results.

d. The Employment Contract has not been breached since the U-21 team *"is an important part of the first team"*; in no case have the rights of the Appellant been violated or infringed by the Respondent.

V. JURISDICTION

60. In accordance with Article 186 of the Swiss Private International Act ("PILA"), the CAS has the power to decide upon its own jurisdiction.

61. Article R47 para. 1 of the CAS Code provides as follows:

"An appeal against the decision of a federation, association or sports-related body may be filed with the CAS 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".

62. Article 28 of the NDRC Regulations provides that:

"28.1 As a last resort, the decision made by the [NDRC] *may be appealed to the Court of Arbitration for Sport, recognised by the* [AFA]*, CAS Lausanne, Switzerland.*

28.2 The 21-day period for appeal will begin on the day the decision is fully taken by the Chamber." (free translation)

63. The operative part of the NDRC Decision states:

"Against this decision shall be appealed at the Court of Sports Arbitrage […] within 21 days from the day this reasoned decision was served."

64. Neither Party contested the CAS's jurisdiction to hear this appeal.

65. The Parties also confirmed the CAS's jurisdiction by signing and returning the Order of Procedure to the CAS Court Office.

66. It follows from the above that CAS has jurisdiction to decide the present dispute.

VI. ADMISSIBILITY

67. Article R49 of the CAS Code provides, in its relevant parts, as follows:

"In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or of a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against".

68. According to Article 28 of the NDRC Regulations, a decision may be appealed against before CAS within 21 days of receipt of its notification.

69. The NDRC Decision, with grounds, was notified on 12 December 2024, meaning that the last day of the 21-day deadline was 2 January 2025.

70. Pursuant to Article R32(1) *in fine* of the CAS Code, "*[i]f the last day of the time limit is an official holiday or a non-business day in the location from where the document is to be sent, the time limit shall expire at the end of the first subsequent business day*".

71. In the present case, as 2 January 2025 was a public holiday at the domicile of the Appellant's legal representative, the time limit expired "*at the end of the first subsequent business day*", *ie* on 3 January 2025. Accordingly, the Statement of Appeal filed on 3 January 2025 was within the applicable time limit. The appeal was consequently filed in time and further complied with all the formal requirements required by Article R48 of the CAS Code.

72. Therefore the appeal is admissible.

VII. APPLICABLE LAW

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

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

74. Article 1 of the Employment Contract states:

"[...]

1.3. An integral and integral (sic) part of this contract are:

a. Statute and regulations of the Albanian Football Federation.

b. UEFA and FIFA Statutes and Regulations (including the IFAB Laws of the Game).

c. Law no. 79/2017 "On Sports", amended.

d. Code of Ethics, Code of Sports Discipline, Licensing Regulation of Clubs for Participation in AFL Activities.

e. Club Regulations.

f. Legislation on labour and service relations in the Republic of Albania.

1.4. The coach agrees to strictly implement the statutes and regulations mentioned above for everything that is in accordance with Albanian legislation."

75. The case at hand involves a domestic contractual dispute between an Albanian coach and an Albanian club. As a result, the "*applicable regulations*" in the present case are the statutes and regulations of the AFA because the appeal is directed against a decision issued by the NDRC.

76. Subsidiarily, the Sole Arbitrator will apply the rules of law chosen by the Parties, namely the UEFA and FIFA Statutes and regulations, Albanian law, and the Club's regulations, as necessary.

VIII. MERITS

77. The Sole Arbitrator observes that the main issues to be resolved are:

a) Is it possible to review the NDRC Decision that the Club terminated its employment relationship with the Coach without just cause?

b) Depending on the outcome of a), is the Image Agreement part of the employment relationship between the Parties and can thus be considered for compensation purposes?

c) If the answer to b) is in the affirmative, what are the consequences?

A. Is it possible to review the NDRC's decision that the Club terminated its employment relationship with the Coach without just cause?

78. The issue whether the Club terminated the employment relationship with the Coach with or without just cause was already dealt with by the NDRC.

79. Just for the sake of good order the Sole Arbitrator notes that the Appellant initially claimed to have unilaterally terminated the employment relationship with just cause which *in casu* makes no difference.

80. Moreover, the Sole Arbitrator underlines that the Club did not appeal the NDRC Decision.

81. Therefore, for the Club the NDRC Decision in this respect became final and binding, and the Sole Arbitrator has no jurisdiction *ratione materiae* to decide on this matter.

B. Is the Image Agreement part of the employment relationship between the Parties and can thus be considered for compensation purposes?

82. The Sole Arbitrator refers in this respect to existing CAS jurisprudence:

83. CAS 2014/A/3579 (par 62f.) has established arguments, when a labour law agreement and an image rights agreement can be seen as one relationship. Likewise, CAS 2015/A/3923 (par. 86ff, par. 107) states that certain connecting elements show "*[…] that the Image Rights Agreement was in fact meant to be part of the actual employment relationship between the Player and the Club.*". Moreover, also CAS 2015/A/4039 (par. 78ff.) gives indications in this direction.

84. In line with CAS jurisprudence and for the following reasons, the Sole Arbitrator is convinced that the Employment Contract and the Image Agreement together regulate the employment relationship between the Parties, as this arrangement helped the Club to lower its tax and social security burden:

a) both agreements were signed simultaneously;

b) both agreements were signed by the same representatives;

c) both agreements have the same letterhead;

d) the Image Agreement merely contains provisions for the payment of the Coach and lacks common provisions such as how to exploit the image rights, termination clauses, or dispute resolution clauses;

e) the Coach did not participate in any activities related to image rights exploitation beyond the normal pre- and post-match interviews;

f) the ratio between the Employment Contract (according to the Coach, 8-10 hours of daily work) and the Image Agreement is 1:3 (EUR 1,000 vs EUR 3,000); moreover, all payments were made net to the Appellant;

g) the payments for the Employment Contract (which was submitted to the AFA for licensing purposes) were made by bank transfer, while the payments for the Image Agreement (which was not submitted to the AFA) were made in cash;

h) as admitted by the Club at the hearing, this type of employment arrangement was common practice, with approximately 70% of employees being compensated in this manner;

i) these procedures were corroborated by the testimony of Corrado Saccone, who appeared convincingly at the hearing and testified to experiencing substantially the same arrangement as an athletic coach of the Club;

j) the provision under "Miscellaneous d." of the Image Agreement explicitly states that "*[t]his agreement is also based on the employment contract between the parties*".

85. Accordingly, the Sole Arbitrator concludes that the Image Agreement forms an integral part of the employment relationship between the Parties and shall therefore be considered for compensation purposes.

C. If the answer to b) is in the affirmative, what are the consequences?

86. Article 155 ALC states:

"The employee enjoys the right to the salary that he/she would have gained if the labour relations had expired at the end of the notice deadline defined by law or contract or with the expiry of the contract of defined duration."

87. Likewise, Article 6 of Annex 2 of the FIFA RSTP states:

"Consequences of terminating a contract without just cause

1. In all cases, the party in breach shall pay compensation.

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

Compensation due to a coach

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

88. Consequently, in both regulations the compensation is to be done through *positive interest* (see CAS 2018/A/5607 & 5608). Accordingly, the Coach has to be compensated as if the contracts had been executed properly. As the Appellant had not found another job during the duration of the employment relationship, no deductions are to be done.

89. The following amounts are therefore due to the Appellant:

- EUR 9,000 for the remaining duration of the Employment Contract from September 2024 until May 2025 (the Sole Arbitrator notes that due to the payment for the month of August 2024, the Appellant admitted that the amount should be decreased from EUR 10,000 to EUR 9,000); and

- EUR 30,000 for the Image Agreement from September 2024 until May 2025.

90. Following the concept of positive interest, a total of EUR 39,000 is to be paid by the Respondent to the Appellant.

91. Concerning the interest, the Coach claims interest of 10% per annum, calculated from the date of termination of the employment relationship and until the date of effective payment.

92. The Sole Arbitrator notes that both the Employment Contract and the Image Agreement are silent on the payment of interest. Absent a specific contractual agreement, the payment of any interest shall be governed by the law applicable to the present proceedings, *ie* the AFA regulations and, subsidiarily, the UEFA and FIFA Statutes and regulations, Albanian law, and the Club's regulations. Given that the AFA, UEFA and FIFA rules and regulations do not provide a default interest rate for late payment, the issue shall be dealt with under Albanian law.

93. Subject to Albanian Law, Albanian labour law shall apply to the Employment Contract and the Image Agreement. Neither Party contested to the application of Art. 120 ALC for the calculation of interest.

94. As a consequence, the interest rate for the Club to be paid is set at 10% per annum.

95. To determine the *dies a quo*, due to constant CAS jurisprudence and the principle of *positive interest*, interest accrues from the date following the termination date (CAS 2018/A/5607 par.158).

96. Therefore, interest on the compensation for the termination of contracts is awarded from 13 September 2024 (the day following the presentation of Mr Ilir Daja as new head coach) until the date of effective payment. The Sole Arbitrator notes that this date is consistent with the date determined by the NDRC in first instance, which was not disputed by the Appellant.

97. Finally, the Appellant submits that he paid EUR 1,030.93 as procedural costs to the NDRC. Considering that the NDRC ordered the Club to reimburse 30% of those costs, the Appellant requests that the Club be ordered to pay him EUR 309.27 "*as procedural costs related to the proceedings before the NDRC*".

98. In this respect, the Sole Arbitrator holds that the Appellant cannot use the CAS appeal to obtain an order for payment of the amount of EUR 309.27 corresponding to the Club's share of the first instance procedural costs, as this falls outside CAS jurisdiction over costs. Indeed, as a general rule, CAS has no authority to impose the enforcement of any decision issued by a sports federation (CAS 2004/A/559). If the Club does not comply with the first instance order to reimburse the amount of EUR 309.27, the Appellant may seek enforcement of the NDRC Decision through the appropriate means (such as enforcement proceedings in the relevant jurisdiction), rather than through the CAS appeal. Accordingly, this part of the Appellant's claims is dismissed.

IX. COSTS

(…)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeal filed on 3 January 2025 by Mr Dritan Mehmeti against the decision rendered by the Albanian National Dispute Resolution Chamber on 29 October 2024 is admissible.

2. The appeal filed on 3 January 2025 by Mr Dritan Mehmeti against the decision rendered by the Albanian National Dispute Resolution Chamber on 29 October 2024 is partially upheld.

3. The decision rendered by the Albanian National Dispute Resolution Chamber on 29 October 2024 is confirmed, save for paras 2 and 3 of its operative part, which shall read as follows:

   Futboll Club Dinamo City sha is ordered to pay to Mr Dritan Mehmeti the amount of EUR 39,000 (thirty-nine thousand Euros) plus interest at the rate of 10% per annum from 13 September 2024 until the date of effective payment.

4. (…).

5. (…).

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

Seat of arbitration: Lausanne, Switzerland
Date: 6 January 2026

THE COURT OF ARBITRATION FOR SPORT

Thomas Hollerer
Sole Arbitrator