Tribunal Arbitral du Sport



Court of Arbitration for Sport

Arbitration CAS 2013/A/3160 Gheorghe Stratulat v. PFC Spartak-Nalchik, award of 19 November 2013

Panel: Mr Fabio Iudica (Italy), Sole Arbitrator

Football

Validity and enforcement of an agency agreement
Reference to the agent in the contract under the FIFA and the RFU Regulations on Players' Agents
Validity of the agency agreement in case of absence of the agent's reference and signature on the employment contract

- 1. Both the FIFA and the Russian Football Federation (RFU) Regulations on Players' Agents require that any contract concluded as a result of negotiations conducted by a licensed players' agent engaged by the player or by the club shall contain specific reference to the agent involved. In particular, the name and signature of the agent shall appear in any contract resulting from transactions in which he is involved. In addition, reference to the players' agent's name in contracts negotiated by a players' agent engaged both by a player or a club is also required by both regulations.
- 2. According to CAS jurisprudence, the absence of the agent's signature or any reference to the players' agent name on the employment contract concluded as a result of the involvement of such players' agent does not invalidate the agency agreement nor constitute any hindrance to the agent's right to receive his fee under the representation agreement. Failure to comply with the requirements stipulated by FIFA or a National Association with regard to the form of an agency agreement may only lead to the imposition of sanctions by the respective associations or federations. Likewise, FIFA's jurisprudence confirms that the absence of a players' agent signature on the negotiated contract does not *per se* prevent the players' agent from the receiving his commission. The same applies, accordingly, to the requirement related to the lack of registration of the agency agreement.

I. INTRODUCTION

1. This appeal is brought by Mr Gheorghe Stratulat ("the Agent" or "the Appellant"), against the decision N. 174-12/KSI rendered by the Players' Status Committee of the Russian Football Federation (RFU) on 30 January 2013 ("the Appealed Decision").

II. THE PARTIES

- 2. Mr Gheorghe Stratulat is a Players' Agent, citizen of Moldova Republic, licensed by Moldova Football Federation.
- Professional Football Club "Spartak Nalchik" ("Spartak", or "the Club" or "the Respondent") 3. is a professional Football Club based in Nalchik, Russia, competing in the second division of the National Football League, affiliated with the RFU.

III. THE CHALLENGED DECISION

4. The challenged decision is the decision N. 174-12/KSI rendered by the Players' Status Committee of the RFU on January 30, 2013, in the appeal proceedings filed by the Agent against the decision issued on 25 July 2013 by the Dispute Resolution Chamber of the RFU.

IV. FACTUAL BACKGROUND

- 5. Below is a summary of the main relevant facts and allegations based on the Parties' written submissions and relevant documentation produced. Additional facts and allegations 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 his Award only to the submissions and evidence he considers necessary to explain his reasoning.
- 6. Spartak and the Agent concluded a representation agreement dated 1 January 2012 (the "Agency Agreement") according to which the Club hired the Agent in order to "perform legal and physical actions for the arrangement of transfer of the professional footballer Cebotaru Eugeniu (the "Player"), date of birth 16.10.1984 to the Club, and the Club undertakes the obligation to accept and pay for the said services".
- 7. With regard to the consideration for the said services, the Agency Agreement specified that the Club shall pay remuneration to the Agent in the amount of EUR 200.000,00 after signing the employment contract with the Player, in two equal instalments according to the following schedule:
 - EUR 100.000,00 by 25 February 2012;
 - EUR 100.000,00 by 25 March 2012.
- 8. On 1 January 2012, Spartak signed an employment contract with the Player for the period from 1 January 2012 until 31 December 2014.
- Neither the employment contract between the Club and the Player nor the Appendix to the 9. same contract submitted by the Appellant, however, contain the name or signature of the

- Agent nor any other reference to the use of the services of the Appellant in the relevant negotiations.
- 10. By letter dated 18 February 2012, the Agent, making reference to an alleged request of the Club due to financial difficulties, suggested Spartak to reduce his fee for the transfer of the Player from EUR 200.000,00 to EUR 150.000,00, also giving the Club additional time to make payment according to the new schedule as follows:
 - EUR 50.000,00 by 1 March 2012;
 - EUR 50.000,00 by 1 April 2012;
 - EUR 50.000,00 by 1 May 2012.
- 11. In the same letter, the Agent also specified that in case of disagreement with the new proposal, the Club would be requested to pay the debt in the amount and within the deadlines set forth in the Agency Agreement.
- 12. On 20 February 2012, Spartak replied with a letter (initially submitted by the Agent in copy) expressing its gratitude to the Agent for understanding the difficulties of the Club and asking the Agent to consider a different offer regarding his remuneration for the Player's transfer to the Club. In this respect, the Club suggested to make part (EUR 100.000,00) of the payment due to the Agent conditional on the fact whether the Club would save its place in the Premiere League according to the outcome of the sporting season 2011/2012.
- On 4 July 2012, the Agent lodged a claim with the RFU Dispute Resolution Chamber (the 13. "RFU DRC") requesting that the Club pays his fee according to the terms under the Agency Agreement.
- On 25 July 2012, the RFU DRC fully dismissed the Agent's claim. The RFU DRC based its 14. reasoning on the fact that the Agent's signature was missing in the employment contract concluded between Spartak and the Player and also because of the absence of proof of any act of rendered services between the Parties.
- The Agent disagreed with the decision of the RFU DRC and lodged an appeal with the RFU 15. Players' Status Committee (the "RFU PSC").
- On 30 January 2013, the RFU PSC delivered the Appealed Decision by which the Agent's 16. appeal was dismissed and the decision of the RFU DRC fully upheld. According to the opinion of the RFU PSC, in fact, since the name and signature of the Agent was missing in the labour contract between Spartak and the Player and also in consideration of the absence of any delivery-acceptance act signed by the Parties regarding the rendered services, the Agent was not entitled to receive compensation under the Agency Agreement for the transfer of the Player to Spartak.

V. SUMMARY OF THE APPEALED DECISION

- 17. The grounds of the Appealed Decision can be summarized as follows:
 - The RFU Regulations on Agency, as well as the FIFA Regulations on Players' Agents require that any contract concluded as a result of negotiations conducted by a licensed players' agent hired by a Club or a Player shall specify the Agent's name and contain the Agent's signature.
 - In accordance with the Law of the Russian Federation, the analogues of the Agent's signature in the documents are delivery-acceptance acts regarding the rendered services.
 - Despite the fact that there is no mandatory rule in the Law of the Russian Federation requiring delivery-acceptance acts for confirmation of service rendering, art. 1.3 of the Agency Agreement between the Parties specifically provides that the delivery of the results of work performed by the Agent and their acceptance by the Client shall be made in the form of a delivery-acceptance act signed by the authorized representatives of the Parties.
 - The Agent failed to provide evidence of the fact that his signature was put on the employment contract concluded between Spartak and the Player.
 - The Agent also failed to provide evidence of the fact that the Parties had signed delivery-acceptance acts regarding the rendered services according to the requirements of the Agency Agreement.
- The challenged decision was notified to the Appellant on 16 April 2013. 18.

PROCEEDINGS VI. SUMMARY **OF** THE **BEFORE** THE **COURT OF** ARBITRATION FOR SPORT

- 19. On 6 May 2013, Mr Gheorghe Stratulat filed an appeal before the CAS against Spartak with respect to the Appealed Decision by submitting a Statement of Appeal according with R47 and R48 of the Code of Sports-related Arbitration (the "CAS Code").
- 20. By letter of 7 May 2013, the CAS Court Office provided procedural directions to the Parties according to the CAS Code and, following the suggestion contained in the Statement of Appeal, invited the Respondent to inform the CAS Court Office whether it agreed to the appointment of a Sole Arbitrator to decide the present case.
- According to R51 of the CAS Code, the Appellant filed his Appeal Brief on 16 May 2013. 21.
- Since the Respondent did not inform the CAS Court Office about its position on the 22. appointment of the Sole Arbitrator within the prescribed deadline, the Parties were informed by letter of the CAS Court Office on 21 May 2013 that the Deputy President of the CAS

- Appeals Arbitration Division had decided to submit the procedure to a Sole Arbitrator according with Article R54 of the CAS Code.
- 23. Upon request of the Respondent by letter dated 11 June 2013, the CAS Court Office informed the Parties that the deadline for the Respondent would be fixed after the payment by the Appellant of the advance of costs of the arbitration.
- 24. The Respondent filed its Answer on 27 June 2013 according with R55 of the CAS Code.
- 25. By letter of 4 July 2013, the CAS Court Office informed the Parties that Mr Fabio Iudica had been appointed as Sole Arbitrator in the proceedings. Neither party objected as to the appointment of the Sole Arbitrator.
- 26. On 22 July 2013, the Appellant requested the CAS Court Office to be authorized to submit his comments to the Answer of Respondent before providing its position with regard to the opportunity for a hearing to be held in the present case.
- 27. By letter on the same day, the CAS Court Office granted the Respondent a deadline until 25 July 2013 to state whether it would agree to the Appellant's request for a further round of submissions.
- 28. By fax letter dated 24 July 2013, the Respondent objected to the request of the Appellant for further submissions and expressed its preference for the Sole Arbitrator to render a decision based on the Parties' prior written submissions without the need to hold a hearing.
- 29. On 26 July 2013, the Parties were informed by the CAS Court Office that the Appellant's request for another round of submissions was denied whereas the Sole Arbitrator had decided to hold a hearing and that, consequently, the Parties would have the opportunity to put forward all of their arguments and reply to the other party.
- After consulting the Parties, the CAS Court Office informed both Appellant and Respondent 30. that they were called to appear at the hearing which would take place on 18 September 2013 at the CAS Headquarter in Lausanne, together with such witnesses and experts which they had already specified in their written submissions.
- 31. By letter of 2 August 2013, the CAS Court Office forwarded the Order of Procedure to the Parties and also informed the Appellant that according to Article R44.3 of the CAS Code, the Sole Arbitrator had requested him to produce "any document relating to the termination of the representation agreement between him and the Player on 17 July 2011".
- 32. The Order of Procedure was signed on 5 August 2013 by the Respondent and on 6 August 2013 by the Appellant. With the signature of the Order of Procedure, the Parties confirmed the jurisdiction of the CAS.
- 33. By letter of 13 August 2013, the Respondent informed the CAS Court Office that Mr Armen Gazarov, Technical Director, would attend the hearing on its behalf.

- 34. By fax letter on 14 August 2013, the Appellant provided the CAS Court Office with the names of the persons who would be attending the hearing, as follows:
 - Mr Mikhail Prokopets attorney-at-law;
 - Ms Darina Nikitina paralegal;
 - Mr Timur Leonov interpreter.
- 35. The Appellant, by virtue of communication dated 19 August 2013, responded to the Sole Arbitrator's direction of 2 August 2013, providing documentary evidence with respect to the termination of the representation agreement between the Agent and the Player. In particular, the Appellant produced Appendix No. 1 to Brokerage Agreement dated 17 July 2011 according to which Mr Gheorghe Stratulat and the Player agreed to early terminate the legal effects of the representation agreement starting from 1 January 2012 until the expiration of the said Brokerage Agreement (i.e. 17 July 2013).

VII. **HEARING**

- On 18 September 2013, a hearing was duly held at the CAS Headquarters in Lausanne. 36.
- 37. The following persons attended the hearing:
 - For the Agent, Mr Mikhail Prokopets, attorney-at-law.
 - For the Club, Mr Armen Gazarov, Technical Director.
- Mr William Sternheimer, Managing Counsel & Head of Arbitration for the CAS assisted the 38. Sole Arbitrator at the hearing.
- 39. At the beginning of the hearing, the Parties confirmed that they did not have any objection to the appointment of the Sole Arbitrator, nor to the jurisdiction of CAS.
- 40. At the hearing, the Appellant submitted to the Panel and to the Respondent the original version of the letter dated 20 February 2012 (already submitted in copy with the Statement of Appeal) by which Spartak addressed to the Agent a new proposal regarding the terms and conditions of the payment of the Agent's fee. The Appellant also produced the notice of receipt of the relevant letter sent by e-mail from the e-mail address of the Club to Mr Gheorghe Stratulat on the same day. The Respondent did not object to the authenticity of the said document.
- During the hearing, the Parties were granted the opportunity to present their oral arguments 41. and answer the questions posed by the Sole Arbitrator.

42. At the conclusion of the hearing, the Parties explicitly agreed that their right to be heard and to be treated equally in these arbitration proceedings had been fully observed. The Parties were also satisfied that due process had been fully observed.

VIII. SUBMISSIONS OF THE PARTIES

43. The following outline is a summary of the main positions of the Appellant and the Respondent and does not comprise each and every contention put forward by the Parties. The Sole Arbitrator, however, has carefully considered all the submissions made by Appellant and Respondent, even if no explicit reference has been made in what follows. The Parties' written submissions, their verbal submissions at the hearing, documentary evidence and the content of the Appealed Decision were all taken into consideration.

Α. Appellant's Submissions and Requests for Relief

- 44. The Appellant made a number of submissions, in his statement of Appeal, in his appeal brief and at the hearing. These can be summarized as follows.
- 45. The Appealed Decision was made in violations of the Regulations standards of the RFU and FIFA and did not consider common practices of their respective judicial bodies.
- 46. In this respect, the Agent maintains that the RFU PSC failed to consider objective evidence other than the missing signature of the Agent on the employment contract, and the lack of delivery-acceptance acts or report on services rendered, whereas such other evidence was able to confirm the Agent's performance of the Agency Agreement.
- 47. In this regard, the Agent quotes, inter alia, a decision rendered by the RFU Committee of 14 July 2011 in the so called "Zirkhov's case" which, in the pertinent part, reads as follows:

"in accordance with the legislation of the Russian Federation, the governing documents of FIFA, the RFU and business practice, evidence of execution of the commission under the agent agreement may be:

- the Agent's signature of an employment contract of a footballer with a football club, concluded with the assistance of an Agent (clause 1 of Article 18 of FIFA Regulations regarding the players' agents, clause 2 of Article 22 of the RFU Regulations on agency activity);
- the Agent's report approved by the principal (Article 1008 of the Civil code);
- the Acts on the execution of the commission (provision of services, etc.);
- other documents based on which the Agent can confirm the performance of the commission under the contract".
- In the case at stake, according to the Appellant, such other evidence included the Player's 48. employment contract itself, the correspondence between the Agent and the Club, in particular

- Spartak's letter N° 69, dated 20 February 2012, and the Player's testimony confirming that his transfer to Spartak was arranged by the Agent on behalf of the Club.
- 49. In this respect, the Agent alleges that Respondent's letter N° 69 dated 20 February 2012, by which Spartak made a new proposal to the Agent regarding his remuneration for the Player's transfer to the Club, unequivocally confirms the Club's approval of the services rendered by the Appellant under the Agency Agreement, and also its acknowledgement of the right of the Agent to receive remuneration for his services. According to the Appellant, this emerges from the following pertinent part of the relevant letter: "OAO PFC Spartak Nalchik kindly asks you to consider the following proposal regarding the agency fee for the transfer for Eugeniu Cebotaru to our Club".
- 50. In addition, the Appellant avers that the Player himself, in his testimony before the RFU PSC, confirmed that during his transfer to Spartak, the Agent negotiated on behalf of the Club and therefore the Player's transfer was concluded as a result of the Agent's involvement under the Agency Agreement.
- 51. With regard to the absence of the Agent's signature on the Player's employment contract, the Appellant contests that the presence of such a signature is just one of many proofs which may confirm the Agent's execution of the representation contract and cannot by itself deprive the Agent of the right to receive remuneration under the concluded Agency Agreement.
- 52. With respect to the other argument on which the RFU PSC based its refusal to uphold the Agent's claim, i.e. the absence of the acts of services rendered, the Agent argues that the Russian Federation only stipulates the mandatory presence of the said acts with regards to "paid services agreement". On the contrary, there is no such requirement with regard to agency agreements, as in the present case, for which Russian law only requires agent's report, according to Article 1008 of the Russian Civil Code.
- 53. Pursuant to article 2.1.5 of the Agency Agreement, the Parties agreed that the Agent would be required to provide such report only upon request of the Client (i.e. the Club). Since the Agent did not receive any request thereof from Spartak during the term of the contract, the payment of the Agent's fee cannot be denied on the assumption that the report on the work performed was not provided by the Appellant.
- 54. In any case, the payment of the Agent's fee does not depend on the availability of the Agent's report within the meaning of Article 1006 of the Russian Civil Code. In this respect, the Appellant makes reference to the jurisprudence of the FAS of North Caucasus District (Decision November 9, 2010 on case N° A56-30147/2008; Decision July 22, 2003 on case N° F08-2135/2003).
- As a conclusion of the above mentioned reasoning, the Appellant pleads that the absence of 55. the report as well as the absence of the acts of delivery-acceptance cannot be evidence of the Agent's failure to fulfil the Agency Agreement referred in the Appealed Decision, taking into consideration that other documentary evidence in the file proves otherwise.

- 56. As a consequence, the Agent is entitled to receive remuneration from Spartak as agreed upon under the Agency Agreement.
- 57. In his Statement of Appeal and his Appeal Brief, the Appellant submitted the following prayers for relief:

"the Challenged Decision issued on 30 January 2013 by the Committee on the Status of Players of the Russian Football Union is annulled.

to take a new decision on the case and oblige Spartak to pay the agency fee to Claimant in the amount of 200 000 euro

to order Spartak to pay interest for late payment of the agent fees at rate of 5% per annum from the date of delay: 100 000 euro from 25/02/2012 and 100 000 euro from 25/3/2012;

Spartak shall bear all costs of the proceedings;

Spartak shall be ordered to compensate Agent for its legal fees and other expenses incurred in connection with the proceedings and, in particular, the costs of witnesses and interpreters, in an amount to be determined at the discretion of the Panel".

В. Respondent's Submissions and Requests for Relief

- 58. The Respondent made a number of submissions, in its Answer and at the hearing. Its position is summarized in its Answer, and is the following.
- The Agent failed to fulfil his contractual obligations under the Agency Agreement and also to 59. prove his involvement in the conclusion of the employment contract between the Club and the Player. Since the Agent did not provide evidence of the execution of the Agency Agreement, he is not entitled to remuneration with regard to the transfer of the Player to Spartak.
- 60. With reference to the above, the Respondent maintains that the Agent is not entitled to receive the fee under the Agency Agreement since he is responsible for the non-compliance of the contractual and regulatory provisions specified below and therefore:
 - there is no evidence that the Parties had signed delivery-acceptance acts regarding the rendered services in contrast with the requirements of Article 1.3 of the Agency Agreement which was binding between the Parties in accordance with the principle of freedom of contract, in line with Article 421 of the Russian Civil Code;
 - the Agency Agreement was concluded in violation of the FIFA and the RFU Regulations with respect to the formal requirements of the relevant document. In particular, the Respondent objects that the Agency Agreement was not duly issued in the number of originals requested by the said Regulations. It also resulted that the

Agreement was not registered with the competent body of the RFU as it was confirmed by letter of the Players' Agents Committee dated 17 June 2013;

- the employment contract between the Club and the Player does not contain the Agent's signature nor any other reference to the Agent's name, in contrast with the relevant Regulations of the RFU and FIFA. This requirement applies regardless of the party (Player or Club) who engaged the Agent. The absence of the Agent's signature on the relevant contract can only prove that the Agent was not involved in the negotiations of the transfer of the Player. In this respect, the Respondent also refers to the FIFA Regulations and practice, according to which the conclusion of a representation contract, even on an exclusive basis, is without prejudice to the client's right to conclude an employment contract or a transfer agreement without the assistance of a representative, as it was in the present case;
- the Agency Agreement does not contain any arbitration clause with reference to FIFA or the National Association judicial bodies.
- 61. In addition to the above mentioned arguments, the Club argues that the employment contract with the Player, dated 1 January 2012, was in fact concluded in July 2011 which is allegedly proved by the documents relating to the Player's training camp at the Club in that period and also confirmed by the Player's report dated 9 June 2013 produced by Respondent. Therefore, the Respondent avers that the Club had no interest in concluding a representation contract with the Agent in January 2012 for the transfer of the Player.
- 62. In this context, the Club also refers to an agency agreement between the Player and the Agent for the period 17 July 2011/17 July 2013 produced by Respondent and which was also included in the case file in the proceedings before the RFU.
- With regard to the Club's letter submitted by the Appellant N° 69 dated 20 February 2012 and 63. signed by the CEO of the Club, the Respondent raises objections in relation to the fact that there is no such reference to the said document in the outgoing letter registry of the Club. Moreover, the Club has another letter N° 69 of the same date with a totally different content. The Club also argues that, since the Agent only submitted a copy of the relevant letter, such evidence cannot be accepted by CAS.
- Finally, with regard to the Player's testimony before the RFU PSC to which Appellant makes 64. reference, the Respondent contests that the Player was not able to confirm which was the party represented by the Agent during negotiations for his transfer to Spartak.
- 65. In its Answer, the Respondent submitted the following prayers for relief:

"To deny the claim of the Agent in respect of the Players' Status Committee or RFU dated January 30, 2013, due to the lack of possibility to review this case as the Agency agreement between PFC "Spartak-Nalchik" and Gheorghe Stratulat was not registered in the Players' Agents Committee of RFU.

To dismiss an Agent's claim. To uphold Players' Status Committee of RFU decision dated January 30, 2013.

Or in any event

To deny the agency fee payment to the Agent in the amount of 200 000 EUR.

To deny the forfeit payment to the Agent.

Agent shall bear all costs of the proceedings.

Agent shall be ordered to compensate PFC "Spartak-Nalchik" for its legal fees and other expenses incurred in connection with the proceedings, in particular, costs of translators' services, in the amount at CAS discretion".

IX. **CAS JURISDICTION**

- 66. The admissibility of an appeal before CAS shall be examined in light of Article R47 of the CAS Code (Edition 2013), which reads 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 him prior to the appeal, in accordance with the statutes or regulations of that body".
- 67. Both the Appellant and the Respondent rely on Article 53(2) of the RFU Regulations on settlement of disputes which states as follows: "The decision of the Committee can be appealed only in Sports arbitration court (Tribunal Arbitral du Sport) in Lausanne (Switzerland) within 21 calendar days from the moment of obtaining the decision".
- The jurisdiction of CAS, which is not disputed, is further confirmed by a footnote in the 68. Appealed Decision which reads as follows: "On the basis of article 47 of the Charter of All-Russian Public Organization "Russian Football Union" this decision may be appealed to the Court of Arbitration for Sport in Lausanne according to the Code of the Court of Arbitration for Sport".
- 69. The signature of the Order of Procedure by the Parties confirmed that the jurisdiction of the CAS in the present case was not disputed. Accordingly, the Sole Arbitrator is satisfied that he has jurisdiction to hear this case.
- Under Article R57 of the CAS Code, the Sole Arbitrator has the full power to review the facts 70. and the law and may issue a new decision which replaces the decision appealed or annul the challenged decision and refer the case back to the previous instance.

X. APPLICABLE LAW

Article R58 of the CAS Code provides the following: "The Panel shall decide the dispute according 71. to the applicable regulations and, subsidiarily, to the rules of law chosen by the parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which

- has issued the challenged decision is domiciled or according to the rules of law the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision".
- 72. In their respective written submissions, both the Appellant and the Respondent rely on the FIFA Players' Agents' Regulations (PAR), edition 2008, and the Law of the Russian Federation, while the Respondent also specifically refers to the Players' Agents' Regulations of the RFU.
- Par. 4.1 of the Agency Agreement establishes that "The Parties shall respond for non-performance or 73. improper performance of their obligations in accordance with the applicable Law of the Russian Federation".
- 74. In addition, par. 8.1 of the Agency Agreement stipulates as follows: "The issues, which are not mentioned in this Agreement, are subject to the Law of the Russian Federation".
- 75. Therefore, the Sole Arbitrator notes that the Agency Agreement provides for an implicit choice of Russian law to govern any dispute arising in connection with the nonperformance or improper performance of the obligations thereunder and also that the Partie's agree on the applicability of the FIFA Regulations and the RFU Regulations, in view of the nature and scope of the agreement. Therefore, the Sole Arbitrator deems that the RFU and the FIFA Rules and Regulations are primarily applicable, with Russian law applying subsidiarily.

XI. ADMISSIBILITY OF THE APPEAL

- 76. Article R49 of the CAS Code provides as follows: "In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or of a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against. After having consulted the parties, the Division President may refuse to entertain an appeal if it is manifestly late".
- 77. The Sole Arbitrator notes that the RFU PSC rendered the Appealed Decision on 30 January 2013, and notified it to the Appellant on 16 April 2013. Considering that the Appellant filed his Statement of Appeal on 6 May 2013, and also that the admissibility of the present appeal is not contested by the Respondent, the Sole Arbitrator is satisfied that the Appellant's appeal was timely filed and is therefore admissible.
- 78. It follows that the appeal is admissible, which is also undisputed.

XII. MERITS OF THE APPEAL – LEGAL ANALYSIS

- 79. It is undisputed that the Parties entered into the Agency Agreement on 1 January 2012 by which the Club engaged the services of the Agent to represent Spartak in the negotiations of the transfer of the Player.
- It is also undisputed that on 1 January 2012, the Club and the Player signed an employment 80. contract for the period from 1 January 2012 until 31 December 2014.

- 81. According to the Appellant, the employment contract between Spartak and the Player was concluded as a result of the Agent's involvement in the negotiations on behalf and in the interest of the Club, under the above-mentioned Agency Agreement, thus giving rise to payment of the Agent's fee according to Article 3 of the Agreement.
- 82. The employment contract between Spartak and the Player, however, does not contain the Agent's signature, or any reference to the Agent's name, in contrast with the provisions of the RFU and the FIFA Regulations on Players' Agents. As a result, the Respondent objects that there is any evidence of the involvement of the Agent in the conclusion of the relevant employment contract with the Player and therefore the Agent is allegedly not entitled to receive any payment.
- The first issue to be determined is therefore whether the absence of the Agent's signature on 83. the relevant employment contract that was allegedly concluded as a result of his services deprives the Agent of his right to compensation under the Agency Agreement.
- In this respect, both the FIFA and the RFU Regulations on Players' Agents require that any 84. contract concluded as a result of negotiations conducted by a licensed players' agent engaged by the Player or by the Club shall contain specific reference to the Agent involved. In particular, Article 24, clause 2 of the RFU Regulations of Agency and Article 22 of the FIFA PAR 2008 provide that the name and signature of the Agent shall appear in any contract resulting from transactions in which he is involved. In addition, Article 26, par. 1 and Article 28, par. 1 of the FIFA PAR 2008 also require reference to the players' agent's name in contracts negotiated by a players' agent engaged both by a player or a club.
- 85. The Sole Arbitrator also makes reference to par. 2 of both Articles 26 and 28 of the FIFA PAR 2008 which conversely provide that if the client (player or club) does not use the services of a players' agent, this fact shall also be explicitly stated in the relevant contract (transfer contract or employment contract as the case may be), which is also not the case at stake.
- Notwithstanding the above-mentioned requirements, there is no provision in the relevant 86. Regulations of FIFA or the RFU according to which the agent's right to compensation under a representation agreement is made conditional upon the reference to the players' agent name or signature in the negotiated contract.
- 87. As a general rule, Article 2 of the FIFA PAR 2008 only establishes that "The players' agent is entitled to be remunerated for the service he provides" without mentioning any formal requirement as a precondition for the relevant right.
- 88. Moreover, the Sole Arbitrator notes that according to CAS jurisprudence, the absence of the agent's signature or any reference to the players' agent name on the employment contract concluded as a result of the involvement of such players' agent does not invalidate the agency agreement nor constitute any hindrance to the agent's right to receive his fee under the representation agreement.

- 89. In this respect, CAS jurisprudence considers that failure to comply with the requirements stipulated by FIFA or a National Association with regard to the form of an agency agreement may only lead to the imposition of sanctions by the respective associations or federations (interalia CAS 2007/A/1429 & CAS 2007/A/1442; CAS 2011/A/2660).
- 90. Likewise, FIFA's jurisprudence confirms that the absence of a players' agent signature on the negotiated contract "does not per se prevent the players' agent from the receiving his commission" (FIFA Decision of the Single Judge of the Players' Status Committee 24 April 2012, Werner Manisaspor Kulubu Dernegi).
- 91. The same applies, accordingly, to the requirement related to the lack of registration of the Agency Agreement, which fact was opposed by the Respondent with the aim of denying any validity to the contract.
- 92. Similarly, the Sole Arbitrator notes that the further objections raised by the Respondent with regard to the alleged violations of the applicable contractual and regulatory provisions related to other formal requirements of the Agency Agreement cannot per se entail the loss of the Agent's right to remuneration under such Agreement. In the decision of the FIFA Single Judge of the Players' Status Committee in the case Werner Manisaspor Kulubu Dernegi mentioned above and quoted by the Appellant, FIFA established that "the conditions mentioned in the Regulations under art. 19 par. 6 with regard to the obligation to issue four copies of a representation agreement and send one of them to the associations concerned are only for registration purposes. Consequently, the Single Judge underlined that the Regulations do not establish the aforementioned registration as a requirement for the validity of a particular representation agreement and also, do not provide any legal consequences suspending or jeopardising its validity in the event of non-registration. In other words, failure to register a representation contract with a particular association will not lead to the nullity or invalidity of a representation agreement. In this context, the Single Judge was keen to stress that this well-established approach is in line with the jurisprudence of the Player's Status Committee".
- 93. Therefore, the relevant argument put forward by the Respondent in this respect must be rejected.
- 94. In consideration of the above, the second issue to be determined relates to whether there is evidence that the Agent actually accomplished his obligation under the Agency Agreement and is therefore entitled to receive remuneration, notwithstanding his missing signature on the employment contract and despite other irregularities contested by the Respondent.
- 95. In this regard, the Respondent objects that the absence of delivery-acceptance acts regarding the rendered services in contrast with the requirements of Article 1.3 of the Agency Agreement, in addition to the absence of the Agent's signature on the employment contract can only prove that the Agent did not execute the Agency Agreement and was not involved in the Player's transfer.
- 96. Moreover, the Respondent argues that the Agency Agreement was a "sham agreement", since the employment contract with the Player, dated 1 January 2012, was in fact concluded in July 2011 as it was also confirmed by the Player by the report dated 9 June 2013.

- 97. With respect to the above, the Sole Arbitrator notes that some facts of the case relating to the positions of the Parties seem unclear as the evidence available from the file shows the following inconsistencies:
 - the Agency Agreement is dated 1 January 2012, however the date of signing is 29 January 2012, this being the date from which the contract shall become effective according to Article 8.2 of the relevant contract;
 - the employment contract between the Player and the Club is dated 1 January 2012 and became effective on the same date, though the Player confirmed that it was actually concluded in July 2011 when he was on a training camp with the Club, although the date is not specified;
 - it also resulted from the evidence available from the file that the Agent had previously concluded a representation agreement (the Brokerage Agreement) with the relevant Player for the period from 17 July 2011 until 17 July 2013 with the purpose of concluding employment contracts in the interest of the Player;
 - from Appendix N° 1 to the Brokerage Agreement submitted by Respondent by fax letter on 19 August 2013 upon request of the Sole Arbitrator, it also resulted that the Agent and the Player agreed to terminate the legal effects of the representation agreement starting from 1 January 2012 until the expiration of the said Brokerage Agreement (i.e. 17 July 2013).
 - the fact that the Agent was involved in the negotiations for the transfer of the Player was confirmed by the Player in the proceedings before the RFU PSC, although he could not specify whether the Agent acted on behalf of the Player or the Club.
- Notwithstanding the inconsistencies above, the Sole Arbitrator is of the view that the Agent's 98. right to remuneration under the Agency Agreement is well founded.
- In this respect, the Respondent's letter N° 69 dated 20 February 2012 by which the Club made 99. a new proposal to the Agent regarding the terms and conditions of payment, clearly evidences that:
 - following the conclusion of the Agency Agreement, the Club acknowledged the involvement of the Agent in the relevant transfer of the Player;
 - Spartak expressly recognized it was obliged to pay remuneration to the Agent for the transfer of the Player.
- As a result, the letter of the Respondent N° 69 dated 20 February 2012 constitutes 100. acknowledgement of its debt in favour of the Agent in relation to the transfer referred to in the Agency Agreement.

- 101. In the Sole Arbitrator's view, the Respondent's admission in this respect provides full proof of the Agent's right to receive the agent's fee under the Agency Agreement, prevailing over any allegation put forward by the Respondent with the purpose of denying the execution of the Agency Agreement.
- 102. The objections raised by the Respondent in relation to the contested authenticity and probative value of letter N° 69 dated 20 February 2012 initially submitted by the Appellant only in copy are to be considered unfounded in the light of the original version of the letter presented by the Agent at the hearing and also in the light of the notice of receipt of the relevant letter sent by e-mail from the e-mail address of the Club to Mr Gheorghe Stratulat on the same day, also produced by the Appellant at the hearing.
- Further, the Sole Arbitrator notes that the fact that the Agent had previously concluded a 103. representation agreement with the Player does not constitute any prejudice to the Agent's claim since the Brokerage Agreement between the Agent and the Player was terminated when the Agency Agreement with the Club entered into effect between the Parties (i.e. 29 January 2012).
- 104. As to the amount of the remuneration due to the Agent, the Sole Arbitrator holds that the agent is entitled to receive the sum indicated originally in the Agency Agreement (i.e. EUR 200.000,00), regardless of the subsequent Agent's proposal to reduce his fee, as per his letter dated 18 February 2012.
- 105. It is in fact undisputed that the Parties never reached an agreement on that proposal, since the Respondent, by letter N° 69 dated 20 February 2012 made a counter-proposal to the Agent which also was never agreed by the Parties.
- 106. Therefore, the original Agency Agreement is still effective between the Parties as well as the obligation to pay remuneration in the amount of EUR 200.000,00.
- 107. The Appellant also requested the application of interest for late payment at a rate of 5% per annum from the date each single instalment was due (EUR 100.000,00 from 25 February 2012 and EUR 100.000,00 from 25 March 2012).
- 108. As a consequence, the Sole Arbitrator establishes that the Respondent is also responsible to pay interests at the annual legal rate of 5% on the following partial amounts until the effective date of payment as follow:
 - on EUR 100.000,00, 5% as from 25 February 2012;
 - on EUR 100.000,00, 5% as from 25 March 2012.

XIII. **CONCLUSION**

In view of all the above, the Sole Arbitrator has reached the conclusion that the Club, despite 109. the formal irregularities of the Agency Agreement contested by the same Respondent and notwithstanding some inconsistencies in the evidence available in the file, acknowledged in fact the involvement of the Agent in the Player's transfer and the Agent's right to receive compensation thereof and is therefore responsible for the relevant payment.

As a result of the above, the appeal filed by the Agent against the Appealed Decision is upheld, 110. and the latter decision is dismissed and replaced by a new decision

ON THESE GROUNDS

The Court of Arbitration for Sport rules:

- 1. The appeal filed by Mr Gheorghe Stratulat is upheld.
- 2. The decision N. 174-12/KSI rendered by the Players' Status Committee of the RFU on 30 January 2013, is set aside.
- 3. Professional Footbal Club "Spartak-Nalchik" shall pay to Mr Gheorghe Stratulat the amount of EUR 200.000,00 plus 5% interest as follows: on EUR 100.000,00, 5% as from 25 February 2012; on EUR 100.000,00, 5% as from 25 March 2012.
- 4. $(\ldots).$
- 5. $(\ldots).$
- 6. All other motions or prayers for relief are dismissed.