



Arbitration CAS 2015/A/4342 Al-Jazira Football Sports Company v. Ricardo de Oliveira, award of 24 May 2016

Panel: Prof. Petros Mavroidis (Greece), Sole Arbitrator

Football

Non-compliance with the terms of a settlement agreement

Determination of the place of performance when it is not specified in the contract according to Swiss law

Absence of a bank account provided in the contract as a reason for the non-payment

1. **Article 74 of the Swiss Code of Obligations determines that the place of performance is determined by the intention of the parties as stated expressly or evident from the circumstances. When the place of performance is not specified in the contract (i.e. a specific bank account to which the club was supposed to transfer the amounts due), it has to be examined whether the place of performance is evident from the circumstances. In the absence of contractual language that explicitly specifies the place of performance, the latter can still be determined following a contextual reading of the contract.**
2. **The mere absence of a bank account being specifically provided in the contract is not a valid reason why a club failed to pay a player the amounts due. At best, the club might have legitimately wondered whether the bank account of the player was still valid.**

I. PARTIES

1. Al-Jazira Football Sports Company (the “Appellant” or the “Club”) is a football club with its registered office in Abu Dhabi, United Arab Emirates. The Club is registered with the United Arab Emirates Football Association (the “UAEFA”), which in turn is affiliated to the *Fédération Internationale de Football Association* (“FIFA”).
2. Mr Ricardo de Oliveira (the “Respondent” or the “Player”) is a professional football player of Brazilian nationality.

II. FACTUAL BACKGROUND

A. Background Facts

3. Below is a summary of the relevant facts and allegations based on the parties’ written submissions. References to additional facts and allegations found in the parties’ written submissions and evidence will be made, where relevant, to the extent warranted for the

purposes of the legal analysis that follows. While hence, 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 legal arguments and factual evidence submitted that he deems necessary to explain his reasoning.

4. On an unknown date, the Player and the Club concluded an employment contract (the “Employment Contract”), valid as of 1 August 2012 until 30 July 2015, pursuant to which the Player was entitled to a total remuneration of EUR 9,300,000.
5. On 21 January 2014, the parties concluded a settlement agreement (the “Settlement Agreement”). The Settlement Agreement determines, *inter alia*, the following:

“The PARTIES hereby agree that [the Club] shall, as full, complete and final settlement under the EMPLOYMENT CONTRACT, pay to the PLAYER, the total amount of Euro 2,560,000 (two million and five hundred and sixty thousand Euros) net of UAE INCOME TAX (“SETTLEMENT AMOUNT”), as follows:

- (i) *Euro 2,000,000 shall be paid on or before 30 January 2014;*
- (ii) *Euro 560,000 shall be paid on or before 30 December 2014;*

“UAE INCOME TAX” means tax levied by the Government of the United Arab Emirates on the income of individuals in the United Arab Emirates. The PARTIES acknowledge that presently, there is no UAE INCOME TAX enforced in the United Arab Emirates”.

6. On 18 August, 25 August, 16 September and 1 October 2014, counsel for the Player notified the Club of an alleged non-compliance with the terms of the Settlement Agreement.

B. Proceedings before the Dispute Resolution Chamber of FIFA

7. On 13 October 2014, the Player lodged a claim against the Club with the Dispute Resolution Chamber of FIFA (the “FIFA DRC”), claiming EUR 2,560,000, plus interest at a rate of 5% *p.a.* as of the date of breach of the Settlement Agreement until the date of effective payment.
8. On 2 July 2015, the FIFA DRC rendered its decision (the “Appealed Decision”), with the following operative part:

- “1. The claim of the [Player] is accepted.*
- 2. The [Club] has to pay to the [Player], within 30 days as from the date of notification of this decision, the amount of EUR 2,560,000 plus 5% interest p.a. until the date of effective payment as follows:*
 - a. 5% p.a. as of 31 January 2014 on the amount of EUR 2,000,000;*
 - b. 5% p.a. as of 31 December 2014 on the amount of EUR 560,000.*

3. *In the event that the abovementioned amounts plus interest is not paid within the stated time limit, the present matter shall be submitted, upon request, to the FIFA Disciplinary Committee for consideration and a formal decision.*
 4. *The [Player] is directed to inform the [Club] immediately and directly of the account number to which the remittance is to be made and to notify the Dispute Resolution Chamber of every payment received”.*
9. On 23 November 2015, the grounds of the Appealed Decision were communicated to the parties, determining, *inter alia*, the following:

“[...] [T]he DRC observed that the [Player] is claiming the amount of EUR 2,560,000 from the [Club], thereby asserting that the [Club] had not complied with the [Settlement Agreement].

On the other hand, the Dispute Resolution Chamber took note that, for its part, the [Club] asserts that the [Player] is not entitled to claim the second instalment of EUR 560,000 since the latter had not fallen due yet when he lodged his claim.

In this context, the members of the Chamber were eager to emphasise that the [Club] replied to the [Player’s] claim on 8 February 2015, i.e. after the second instalment had fallen due on 30 December 2014, and did not challenge that [sic] fact that it did not pay any of the instalments due. Furthermore, the Chamber noted that the [Club], in its reply to the claim, did not put forward any valid reasons to justify the lack of payment of the relevant amounts, as claimed by the [Player].

In continuation, the Chamber held that since the [Player] had already requested the total amount of EUR 2,560,000 in his claim, he correctly deemed that there was no need to amend his claim after the second instalment fell due.

*On account of all the above, and bearing in mind that it was undisputed that the [Club] did not pay any amount due as per the [Settlement Agreement], as well as the legal principle of *pacta sunt servanda* and *non ultra petita*, the Dispute Resolution Chamber decided that the [Club] is liable to pay the amount of EUR [sic] EUR 2,560,000 to the [Player].*

In addition, taking into consideration the [Player’s] claim, the Chamber decided that the [Club] had to pay default interest at a rate of 5% as follows:

- *5% p.a. as of 31 January 2015 on the amount of EUR 2,000,000;*
- *5% p.a. as of 1 March 2013 [sic] on the amount of EUR 560,000”.*

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

10. On 13 December 2015, the Club lodged a Statement of Appeal with the Court of Arbitration for Sport (the “CAS”) in accordance with Article R48 of the Code of Sports-related Arbitration (2013 edition) (the “CAS Code”). In this submission, the Club requested the matter to be referred to a sole arbitrator.

11. On 22 December 2015, the Player requested the matter to be referred to a panel composed of three arbitrators.
12. On the same day, the CAS Court Office invited the Player to advise the CAS Court Office whether he intended to pay his share of the advance of costs.
13. On 23 December 2015, the Player informed the CAS Court Office that his intention to pay the advance of costs depended on the amount of his share.
14. On the same day, the CAS Court Office informed the Player that the number of arbitrators is one of the crucial criteria to determine the amount of the advance of costs and that, in view of the parties' disagreement regarding the composition of the panel, his question would be referred to the President of the CAS Appeals Arbitration Division, or her Deputy.
15. On 4 January 2016, the CAS Court Office informed the parties that the President of the CAS Appeals Arbitration Division decided to submit the present matter to a panel composed of three members, but that this decision was subject to the payment by the Player of his share of the advance of costs and that if the Player would fail to do so, the matter would be referred to a sole arbitrator.
16. On the same day, the Club filed its Appeal Brief in accordance with Article R51 of the CAS Code. This document contained a statement of the facts and legal arguments. The Club challenged the Appealed Decision, submitting the following requests for relief:

“FIRST – To set aside the Appealed Decision in full;

SECOND – To confirm that the Respondent failed to comply with its obligations in accordance to the Settlement Agreement, that is to say, to provide the Appellant with the proper bank account in his name, in Brazil, for the payment of the first instalment set out in the Settlement Agreement (cf. Art. 74 of the Swiss CO);

THIRD – To confirm that the Respondent never provided the Appellant with any bank account (whatsoever) for the payment of the second instalment set out in the Settlement Agreement and as such, failed again to comply with its obligations in accordance with the Settlement Agreement;

FOURTH – To order the Respondent to pay the full amount of the CAS arbitration costs; and

FIFTH – To order the Respondent to pay a significant contribution towards the legal costs and other related expenses of the Appellant, at least in the amount of EUR 20,000 (twenty thousand Euros).

Alternatively and only in the event the above is rejected:

SIXTH – In the event that the CAS determines that the Respondent was entitled to receive the claimed amounts in a bank account in his name, in the UAE, to uphold that default interest on the first instalment shall start as from the 25 August 2014 in lieu of 31 January 2014, as mistakenly indicated in the Appealed Decision;

SEVENTH – To confirm, nevertheless, that the Respondent never provided the Appellant with any bank account (whatsoever) for the payment of the second instalment set out in the Settlement Agreement, and as such, failed again to comply with its obligations in accordance with the Settlement Agreement;

EIGHT – To order the Respondent to pay the full amount of the CAS arbitration costs; and

NINTH – To order the Respondent to pay a significant contribution towards the legal costs and other related expenses of the Appellant, at least in the amount of EUR 20,000 (twenty thousand Euros)”.

17. On 12 January 2016, FIFA informed the CAS Court Office that it renounced its right to request its possible intervention in the present arbitration proceedings.
18. On 13 January 2016, the Player informed the CAS Court Office that, having duly taken note of the Appeal Brief lodged by the Club, and considering the evident lack of complexity of the present matter, the Player requested that the present matter be submitted to a sole arbitrator and that this was the reason why he would not bear his share of the advance of costs.
19. On 18 January 2016, the Club informed the CAS Court Office that it agreed to refer the present matter to a sole arbitrator.
20. On 22 February 2016, in accordance with Article R54 of the CAS Code, and on behalf of the President of the CAS Appeal Arbitration Division, the CAS Court Office informed the parties that the arbitral tribunal appointed to decide the present matter was constituted as follows:
 - Petros C. Mavroidis, Professor of Law, Switzerland, as Sole Arbitrator;
21. On 15 March 2016, the Player filed his Answer in accordance with Article R55 of the CAS Code. The Player submitted the following requests for relief:
 - “a) Dismiss the appeal filed by Al-Jazira Football Sports-Company;*
 - b) Confirm the decision of the FIFA Dispute Resolution Chamber dated 02 July 2015;*
 - c) Order Appellant to pay to Respondent the amount of EUR 2,560,000 plus 5% interest p.a. until the date of effective payment as follows:*
 - a. 5% p.a. as of 31 January 2014 on the amount of EUR 2,000,000;*
 - b. 5% p.a. as of 31 December 2014 on the amount of EUR 560,000;*
 - d) Order that Al-Jazira Football Sports-Company reimburse Ricardo de Oliveira for legal expenses in the amount of CHF 30.000,00 (thirty thousand Swiss Francs), added to any and all FIFA and CAS administrative and procedural costs, already incurred or eventually incurred, by Ricardo de Oliveira”.*

22. On 29 March 2016, the Club informed the CAS Court Office that it preferred a hearing to be held. The Player, on the other hand, informed the CAS Court Office that he did not deem a hearing necessary.
23. On 1 April 2016, the CAS Court Office informed the parties that the Sole Arbitrator deemed himself sufficiently informed to render an arbitral award solely based on the parties' written submissions, without holding a hearing. The parties were further advised that Mr Dennis Koolgaard, attorney-at-law in Arnhem, the Netherlands, has been nominated as *ad hoc* clerk.
24. On 27 April and, respectively, 2 May 2016, the Player and the Club returned duly signed copies of the Order of Procedure to the CAS Court Office.
25. The Sole Arbitrator confirms that he carefully took into account in his decision all of 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.

IV. SUBMISSIONS OF THE PARTIES

26. The Club's submissions, in essence, may be summarised as follows:
 - The Club maintains that the FIFA DRC failed to take into account crucial points of the Settlement Agreement, in particular, regarding the place where the payment had to be made. With reference to Swiss law, the Club argues that there is no doubt that the transfer of the amounts set out in the Settlement Agreement had to occur in a bank account located in Brazil *in lieu* of the United Arab Emirates.
 - Also with reference to Swiss law, the Club argues that, since the Player failed to indicate the (Brazilian) bank account, the Club was obviously not able to transfer the claimed amounts set out in the Settlement Agreement.
 - Furthermore, the Club submits that the Player addressed a new correspondence to the Club on 25 August 2014 whereby he requested the payment of the first installment to be complied in a bank account located in the United Arab Emirates *in lieu* of Brazil. This violates the principle of *venire contra factum proprium*, was legally groundless, and was in clear disrespect of the legal principle of *pacta sunt servanda*.
 - With reference to Swiss law and CAS jurisprudence, the Club argues, that "*when it is a sum of money, the payment occurs at the place where the creditor is domiciled at the time of payment*".
 - The Club argues that the FIFA DRC disregarded that the Player failed to comply with his obligations, which in fact were conditional in order to permit the Club to fulfill its obligations under the Settlement Agreement. With reference to CAS jurisprudence, the Club submits that the FIFA DRC thereby violated the legal principle of *cuius commode, eius et incommode*.

- The Club further submits that it never reached an agreement with the Player as to amend the Settlement Agreement, while the Settlement Agreement determines that no modification can be made, unless made in writing and signed by the parties.
 - The Club maintains that the Settlement Agreement does not mention the Player's bank account and that it was therefore prevented from transferring any amounts to the Player and no default interest is payable.
 - The Club also argues that, in case the Player were entitled to receive the stated amount for the first installment, payment was only possible after the Club had received the necessary bank details from the Player for the payment to take place. Default interest should therefore apply only as of 25 August 2014.
 - Finally, the Club maintains that the Player did not provide it with the bank details for the payment of the second installment pursuant to the Settlement Agreement, therefore, interest in respect of the second installment, in case the panel holds that it is due, should not start to accrue before 31 December 2014.
27. The Player provided, *inter alia*, the following submissions:
- The appeal clearly has a mere dilatory intent, given that the matter is extremely simple and straightforward. [...]
 - The Appellant never paid to the Player the amounts agreed. The Player was thus forced, first, to notify for four times Al-Jazira for payment and then to lodge a claim against the Appellant before the competent bodies of FIFA. It is to be noted, in this regard, that all 4 (four) notifications remained simply unanswered by the Appellant side. Additionally, before FIFA, after having twice requested for an extension of the deadline to submit its answer and having therefore enjoyed an extraordinary long time limit of two months to submit its position, Appellant's unique defense was that the second instalment was allegedly not due because the claim was lodged before its maturity due.
 - Such a defence, conveniently rejected by the Appealed Decision, was no longer presented by Appellant before the CAS, having been "replaced" by the equally weak argument according to which the parties would have agreed for the payment to be done in a bank account located in Brazil, rather than the UAE bank account which was used by the Parties during the course of the employment relationship.
 - The said argument being entirely irrelevant and flawed, the Court of Arbitration for Sports shall fully confirm the Appealed Decision and therefore condemn the Appellant to the payment of what is due to the Player since years, in line with what had been agreed between the Parties.

V. JURISDICTION

28. The jurisdiction of CAS derives from article 67(1) of the FIFA Statutes (2014 edition) as it determines that “[a]ppeals against final decisions passed by FIFA’s legal bodies and against decisions passed by Confederations, Members or Leagues shall be lodged with CAS within 21 days of notification of the decision in question” and Article R47 of the CAS Code.
29. The jurisdiction of CAS is further confirmed by the Order of Procedure duly signed by the parties, and it follows that, through the signing, the parties have acquiesced to the jurisdiction of CAS to hear the present dispute.
30. It follows that CAS has jurisdiction to decide on the present dispute.

VI. ADMISSIBILITY

31. The appeal was filed within the 21 days set by article 67(1) of the FIFA Statutes. The appeal complied with all other requirements of Article R48 of the CAS Code, including the payment of the CAS Court Office fees.
32. It follows that the appeal is admissible.

VII. APPLICABLE LAW

33. The Club maintains that CAS should apply the various regulations of FIFA, particularly the FIFA Regulations on the Status and Transfer of Players (edition 2014) (the “FIFA Regulations”) and the FIFA Rules Governing the Procedures of the Players’ Status Committee and the Dispute Resolution Chamber (edition 2014¹) (the “FIFA Procedural Rules”) and, additionally, Swiss law.
34. The Player did not submit any specific argument in respect of the applicable law.
35. The Sole Arbitrator observes that Article R58 of the CAS Code provides the following:

“The Panel shall decide the dispute according to the applicable regulations and, subsidiarily, to the rules of law chosen by the parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which has issued the challenged decision is domiciled or according to the rules of law, the application of which the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision”.
36. The Sole Arbitrator notes that article 66(2) of the FIFA Statutes states that:

¹ The Sole Arbitrator observes that no 2014 edition of the FIFA Procedural Rules exists. Since the 2015 edition only entered into force on 1 April 2015, the 2010 edition of the FIFA Procedural Rules shall apply as this is the most recent version before the 2015 edition.

“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”.

37. The Sole Arbitrator finds that the relevant regulations of FIFA should be applied primarily, in particular the FIFA Regulations (edition 2014) and the FIFA Procedural Rules (edition 2010), and, when warranted, Swiss law as well, should of course, the need arise to fill a possible gap left following application of the regulations of FIFA.

VIII. MERITS

A. The Main Issues

38. As a result of the above, the main issues to be resolved by the Sole Arbitrator are:
- i. Did the Club invoke any legitimate reason as to why it did not comply with its obligations under the Settlement Agreement?
 - ii. If yes, which legitimate reasons did the Club invoke, and what are the legal implications thereof?
 - iii. If not, as of which date should interest over the due amount start to accrue?

i. Did the Club invoke any legitimate reason as to why it did not comply with its obligations under the Settlement Agreement?

39. The Sole Arbitrator observes that it is not in dispute between the parties that the Club did not pay the amount of EUR 2,560,000 to the Player, and will therefore proceed to examine whether the Club had any legitimate reasons as to why it did not do so.

40. The Sole Arbitrator observes that article 74 of the Swiss Code of Obligations determines as follows:

“1. The place of performance is determined by the intention of the parties as stated expressly or evident from the circumstances.

2. Except where otherwise stipulated, the following principles apply:

- 1) pecuniary debts must be paid at the place where the creditor is resident at the time of performance;*
- 2) where a specific object is owed, it must be delivered at the place where it was located when the contract was entered into;*
- 3) other obligations must be discharged at the place where the obligor was resident at the time they arose.*

3. *Where the obligee may require performance of an obligation at his domicile but this has changed since the obligation arose, thereby significantly hindering performance by the obligor, the latter is entitled to render performance at the original domicile”.*
41. The Sole Arbitrator observes that neither the Settlement Agreement nor the Employment Contract provide for a specific place of performance, *i.e.* a specific bank account to which the Club was supposed to transfer the amounts due.
42. The Sole Arbitrator nevertheless, will still examine whether the place of performance is evident from the circumstances. That is, the Sole Arbitrator will examine the merits of the argument whether, in the absence of contractual language that explicitly specifies the place of performance, the latter can still be determined following a contextual reading of the Employment Contract. In doing that, the Sole Arbitrator proceeded to examine what the practice of previous payments had been, and whether, by signing the Settlement Agreement, the will to change prior practice had been manifested.
43. First of all, the Sole Arbitrator is not convinced by the Club’s argument that it legitimately understood that the payment had to be made in Brazil, and that it was therefore prevented from transferring the amount to a bank account in the United Arab Emirates, because of the Player’s residence in Brazil. The Sole Arbitrator deems that the residence of the Player was irrelevant, since payments could legitimately be made to bank accounts that the Player lawfully kept outside Brazil. Indeed, as mentioned by the Player, the Employment Contract determined that he resided in Brazil when it was clear that the Player resided in the United Arab Emirates at the time of performance of his obligations, and that this discrepancy apparently did not prevent the Club from complying with its obligations at the time.
44. Second, the Sole Arbitrator finds that the mere absence of a bank account being specifically provided in the contract was not the reason why the Club failed to pay the Player the amounts due. At best, the Club might have legitimately wondered whether the bank account of the Player in the United Arab Emirates was still valid. It could have effortlessly found out if this was the case by proceeding to pay whatever sum was due. It did not. Furthermore, the Player eventually informed the Club of his bank account in the United Arab Emirates on 25 August 2014 by requesting it to *“comply with the Settlement Agreement and proceed with the payment of the amount of €2,000,000 (two million Euros) matured on 30 January 2014 in the following bank account ([...] / HSBC Bank)”*. Yet, the Club still did not comply with its obligations towards the Player. The Player sent further notification to the Club on 16 September and 1 October 2014, but also to no avail.
45. The Sole Arbitrator finds that the Player acted diligently by reminding the Club several times about its obligations towards him and by providing it with his bank account in the United Arab Emirates, to which the Club never objected. The Sole Arbitrator finds that it was for the Club to undertake the necessary action to put itself in a position to be able to comply with its obligations vis-à-vis the Player.
46. The Sole Arbitrator dismisses the Club’s argument that the Player could not demand performance because he had not complied with his own obligations under the Settlement

Agreement by not informing the Club of the bank account on which the payments were to be made. The Sole Arbitrator finds that it does not follow from the Settlement Agreement that the Player was under a similar obligation. Although it may have been worthwhile to clearly refer to a specific bank account in the Settlement Agreement, the Sole Arbitrator finds that it is evident from the circumstances that the amounts were to be transferred to the Player's bank account in the United Arab Emirates. The Player had performed his contractual obligation in the United Arab Emirates, and previous payments to this account never caused any problems to the Club during the term of the Employment Contract.

47. Consequently, the arguments advanced by the Club regarding a breach of the principles of *pacta sunt servanda*, good faith and *cuius commoda, eius et incommoda* (Latin maxim meaning that he who derives an advantage from a situation must also bear the inconvenience) are dismissed, as the Sole Arbitrator finds that these arguments do not have any merit. The Player had provided the Club with a bank account where payments should be made. The Sole Arbitrator finds that the *locus* chosen by the Player (United Arab Emirates) has substantive jurisdictional links to the Settlement Agreement, because the Player exercised his profession in the United Arab Emirates, and because the Club as well has its headquarters in the United Arab Emirates.
48. Furthermore, the Sole Arbitrator observes that the Club did not submit any specific reasons as to why transferring the funds to a bank account in the United Arab Emirates was impossible. In the absence of any evidence submitted by the Club in this respect, the Sole Arbitrator is not in a position to determine that it was indeed impossible for the Club to transfer the due amounts to the Player's bank account in the United Arab Emirates.
49. In any event, should the Club have encountered any difficulties in transferring the amounts to a bank account in the United Arab Emirates, it should at least have informed the Player accordingly, or objected to the Player's request to transfer the amounts due to his bank account in the United Arab Emirates, which it did not.
50. In respect of the Club's reference to CAS 2013/A/3323, the Sole Arbitrator observes that the CAS panel in charge made reference to article 74(2)(1) of the SCO, as set out *supra*, but in a slightly different translation, determining that "[w]hen it is a sum of money, the payment occurs at the place where the creditor is domiciled at the time of payment". The Sole Arbitrator observes that, contrary to what the Club appears to argue, this was therefore not a finding of the CAS panel, but rather a citation of a relevant provision. The CAS panel in CAS 2013/A/3323 reasoned that "it is the responsibility of the debtor to do all relevant efforts to comply with its payment obligation in accordance with a FIFA decision and according to the creditor's wishes", which in fact reinforces the Player's argument.
51. Whereas the payment obligation in CAS 2013/A/3323 derived from a decision of FIFA and the present case concerns a payment obligation deriving from a contract, the Sole Arbitrator adheres to the reasoning of the CAS panel in CAS 2013/A/3323 in that it is for the debtor to make all relevant efforts to comply with its payment obligations. The Sole Arbitrator finds that the Club did not make such efforts and that its failure to pay is therefore not justified.

52. As to the Club's argument that it was not permitted to deviate from the content of the Settlement Agreement without the consent of both parties, the Sole Arbitrator finds that no deviation from the Settlement Agreement was necessary for the Club to be able to comply with its obligations. This argument is therefore dismissed.
53. Consequently, the Sole Arbitrator finds that the Club did not invoke any legitimate reason as to why it did not comply with its obligations under the Settlement Agreement. In the absence of legitimate reasons, the Sole Arbitrator proceeds directly to the third question, namely, as of when is payment of interest due?
- ii. *If not, as of which date should interest over the due amount start to accrue?***
54. The Sole Arbitrator observes that article 102 of the SCO determines as follows:
- “1. *Where an obligation is due, the obligor is in default as soon as he receives a formal reminder from the obligee.*
2. *Where a deadline for performance of the obligation has been set by agreement or as a result of a duly exercised right of termination reserved by one party, the obligor is automatically in default on expiry of the deadline”.*
55. Contrary to the position of the Club, the Sole Arbitrator finds that article 102(2) instead of 102(1) of the SCO is applicable, because the Settlement Agreement specifically determined a deadline for payment. In principle, interest shall start to accrue as of the due date set out in the Settlement Agreement, and not only upon receipt of a formal reminder from the Player.
56. As to the Club's argument that the *dies a quo* for the interest to start to accrue over the first instalment is 25 August 2014 because it was only provided with a bank account by the Player on this date, the Sole Arbitrator finds that this argument must be rejected. The Club was well aware that the deadline for payment of the first instalment was 30 January 2014 and the Sole Arbitrator finds that, in the absence of any action undertaken by the Club to comply with this obligation, interest shall accrue as of the days following the respective due dates set out in the Settlement Agreement.
57. This applies particularly to the second instalment since it is not in dispute that this payment had to be made on or before 30 December 2014 and because the Club was already provided with a bank account by the Player on 25 August 2014.
58. Consequently, the Sole Arbitrator finds that the Club shall pay to the Player the total amount of EUR 2,560,000, with interest at a rate of 5% *per annum* accruing as of 31 January 2014 over the amount of EUR 2,000,000 as of 31 December 2014 over the amount of EUR 560,000 until the date of effective payment.

B. Conclusion

59. Based on the foregoing, and after taking into due consideration all the evidence produced and all arguments made, the Sole Arbitrator finds that:
- i. The Club did not invoke any legitimate reason as to why it did not comply with its obligations under the Settlement Agreement.
 - ii. The Club shall pay to the Player the total amount of EUR 2,560,000, with interest at a rate of 5% *per annum* accruing as of 31 January 2014 over the amount of EUR 2,000,000 and as of 31 December 2014 over the amount of EUR 560,000 until the date of effective payment.
60. Any further claims or requests for relief are dismissed.

ON THESE GROUNDS

The Court of Arbitration for Sport rules:

1. The appeal filed on 13 December 2015 by Al-Jazira Football Sports Company against the decision issued on 2 July 2015 by the Dispute Resolution Chamber of the Fédération Internationale de Football Association is dismissed.
2. The decision issued on 2 July 2015 by the Dispute Resolution Chamber of the Fédération Internationale de Football Association is confirmed.
3. (...).
4. (...).
5. All other motions or prayers for relief are dismissed.