



Arbitration CAS 2010/A/2241 Charles Stillitano v. United States Soccer Federation (USSF) & Fédération Internationale de Football Association (FIFA), award of 12 July 2011

Panel: Mr Efraim Barak (Israel), President; Mr Rui Botica Santos (Portugal); Mr Jeffrey Mishkin (USA)

Football

Dispute between a national association and a match agent

Competence of the PSC to hear the dispute

Competence of the PSC in the interpretation of FIFA's Statutes and Regulations

Limits to the CAS power of review

- 1. The FIFA Players' Status Committee (PSC)'s competence to hear a dispute between a national association and a match agent derives from Article 22, paragraph 1 and Article 26 of the FIFA Match Agent Regulations (MARs). Once proceedings are remanded to the PSC, any procedural request must be examined and decided by the PSC in light of the applicable procedural rules and regulations. Nothing in the FIFA Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber prevents a party from amending its submission prior to the dispute being submitted to the PSC for a decision on the merits.**
- 2. In a dispute concerning the interpretation and application of FIFA's statutes and regulations, only the PSC, and not the parties themselves, even if by mutual consent, is competent to provide the answer to these determinations.**
- 3. Although the CAS reviews appeals *de novo*, sporting federations are afforded broad discretion when interpreting their own statutes and regulations. Accordingly, CAS does not substitute its own judgment for the judgment of the FIFA PSC unless the PSC's judgment was manifestly erroneous or plainly inconsistent with the clear wording of the regulations, or was rendered in violation of a party's fundamental rights or public policy.**

On 15 July 2009, in an appeal before the Court of Arbitration for Sport (CAS) involving the same parties to this appeal, Charles Stillitano ("Stillitano"), United States Soccer Federation (USSF) and Fédération Internationale de Football Association (FIFA), the Panel concluded that the FIFA Players' Status Committee (PSC) was competent to deal with and resolve the following questions:

- (1) Does the USSF have the authority under FIFA's statutes and regulations to require that a football match be played between foreign national teams and/or foreign clubs within the United States first be sanctioned by the USSF?

(2) As part of its authority to sanction football matches played in the United States between foreign national teams and/or foreign clubs, does the USSF have the right under FIFA's statutes and regulation to charge sanctioning fees and require the posting of a bond securing those fees?

(3) Does the USSF have the right under FIFA's statutes and regulations to notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that the USSF requires in connection with matches played in the United States between foreign national teams and/or foreign clubs¹?

In a decision issued in Zurich on 10 February 2010 and notified to the parties on 6 September 2010 (the "Challenged Decision"), the PSC ruled as follows:

(1) USSF has the authority under FIFA's statutes and regulations to require that a football match to be played between foreign national teams and/or foreign clubs within the United States first be sanctioned by USSF;

(2) As part of its authority to sanction football matches played in the United States between foreign national teams and/or foreign clubs, USSF has the right under FIFA's statutes and regulations to charge sanctioning fees and require the posting of a bond securing those fees; and

(3) USSF has the right under FIFA's statutes and regulations to notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that USSF requires in connection with matches played in the United States between foreign national teams and/or foreign clubs.

The PSC also found that the above mentioned principles have applied since at least 2001, when ChampionsWorld (acting through its CEO, Charles Stillitano, who did not become a FIFA licensed match agent until June 2004) began its business of promoting international, first division professional men's soccer² exhibitions in the United States.

On 24 September 2010, Stillitano filed this appeal with the CAS, pursuant to Article R51 of the Code of Sports-related Arbitration ("CAS Code"), requesting that the CAS set aside the decision of the PSC on the following grounds: (i) there was no "dispute" between Stillitano and USSF, and therefore there was no justiciable controversy over which FIFA could exercise jurisdiction; (ii) FIFA acted in contempt of the 2009 CAS Award by varying its language; and (iii) FIFA is not competent under Article 22, paragraph 1 of FIFA's Match Agent Regulations (the "MARs") to decide issues relevant to Stillitano's conduct for the three years prior to the date when he became a FIFA licensed match agent.

Charles Stillitano, the appellant, is a FIFA licensed match agent, and the founder and former CEO of ChampionsWorld, LLC, a limited liability company that was engaged in the business of arranging,

¹ The proceedings before the CAS in *CAS 2009/A/1812*, which resulted in the Panel's 15 July 2009 ruling, is hereinafter referred to as "*Stillitano I*".

² The terms "soccer" and "football" are used interchangeably throughout this award to mean "association football" as defined by FIFA's statutes as "*the game controlled by FIFA and organised in accordance with the Laws of the Game*".

promoting, and marketing soccer matches between foreign clubs and between foreign national teams played in the United States. Mr. Stillitano is a citizen of the United States.

USSF, the first-respondent, is the national body governing soccer in the United States and a Member of FIFA. USSF is a non-profit corporation organized under the laws of the State of New York, with its principal place of business in Chicago, Illinois, USA.

FIFA, the second-respondent, is the international governing body for the sport of soccer. FIFA is an association registered in the Commercial Register in accordance with Article 60 ff. of the Swiss Civil Code and its headquarters are located in Zurich, Switzerland.

On 4 September 2008, USSF filed a Petition with the PSC requesting that the PSC make the following four determinations:

- (1) That the USSF has the authority to require that a football match to be played between foreign national teams and/or foreign clubs within the United States first be sanctioned by the USSF;
- (2) That, as part of its authority to sanction football matches played in the United States between foreign national teams and/or foreign clubs, the USSF has the right to charge sanctioning fees and require the posting of a bond securing those fees;
- (3) That the USSF, and thus FIFA and CONCACAF, are not required to return to the Match Agent (or ChampionsWorld) any sanctioning fees charged for the matches arranged between foreign national teams and/or foreign clubs played in the United States;
- (4) That the USSF has the right to notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that the USSF requires in connection with matches played in the United States between foreign national teams and/or foreign clubs.

On 21 November 2008, the PSC issued the operative part of its preliminary award, holding that it was competent to consider the substance of the four determinations sought by USSF; the PSC issued the grounds for its decision on 9 March 2009. On 23 March 2009, Stillitano appealed the PSC's decision to the CAS.

On 15 July 2009, the CAS delivered to the parties the operative grounds for its award granting in part, and denying in part, the appeal by Stillitano³. Specifically, the CAS ruled that the PSC was not competent to deal with and resolve the substance of the third determination sought by USSF because that determination framed a dispute directly between Stillitano and FIFA – a dispute not encompassed by Article 22, paragraph 1, of the MARs⁴. However, the CAS ruled that the PSC was competent under Article 22, paragraph 1 of the MARs to deal with and resolve the substance of the first, second and fourth determinations sought by USSF in its Petition. The CAS, however, wanted to make clear that

³ The grounds for the CAS's award were issued on 24 September 2009. For ease of reference, the CAS's 15 July 2009 Award and the 24 September 2009 grounds for that Award are hereinafter collectively referred to as "*the 2009 CAS Award*".

⁴ Article 22, paragraph 1, of the MARs requires that "*in the event of a dispute between a match agent and a national association ... the complaint shall be submitted to the FIFA Players' Status Committee for consideration and resolution*".

the PSC's competence to consider and decide the three questions existed only with respect to FIFA's statutes and regulations, since the PSC is not in a position to rule on issues of U.S. law. Therefore, the CAS amended the first, second and fourth determinations sought as follows:

- (1) Does the USSF have the authority under FIFA's statutes and regulations to require that a football match to be played between foreign national teams and/or foreign clubs within the United States first be sanctioned by the USSF?
- (2) As part of its authority to sanction football matches played in the United States between foreign national teams and/or foreign clubs, does the USSF have the right under FIFA's statutes and regulations to charge sanctioning fees and require the posting of a bond securing those fees?
- (4) Does the USSF have the right under FIFA's statutes and regulations to notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that the USSF requires in connection with matches played in the United States between foreign national teams and/or foreign clubs?

On 24 September 2009, the CAS delivered the grounds for its award.

On 29 September 2009, five days after the CAS delivered the grounds for its award, Stillitano's counsel sent a letter to the PSC stating that (i) Mr. Stillitano stipulated that the answer to each of the three remaining questions of the USSF's Petition would be "Yes", (ii) asserting that, in light of this stipulation, there was no longer any dispute between the parties to be arbitrated by the PSC, and (iii) requesting that the proceedings before the PSC be terminated (29 September 2009 Letter of Stillitano).

In response to Stillitano's 29 September 2009 letter, on 1 October 2009 USSF sent a letter to the PSC arguing that the PSC could not terminate the proceedings based on the unilateral request of Stillitano's counsel, and requested that the matter still be submitted to the PSC to render a decision. USSF argued that "traditional notions of justice and arbitral procedure" required that, if Stillitano sought to make any admissions, the PSC require him to submit a stipulation signed under oath, which the PSC could use as evidence in support of an arbitration award in USSF's favor. Moreover, USSF maintained that, regardless of the representations of Stillitano's counsel, a dispute still existed between the parties with respect to the temporal applicability of the three remaining determinations sought in USSF's Petition. USSF requested that the PSC establish a timetable for further submissions and that the matter proceed swiftly to a hearing, unless Stillitano submitted a sworn statement stipulating and agreeing that "*both now and during [his] tenure as Chief Executive Officer of ChampionsWorld, LLC:*

- (1) *The USSF had and has the authority under FIFA's statutes and regulations to require that a football match to be played between foreign national teams and/or foreign clubs within the United States first be sanctioned by the USSF;*
- (2) *As part of its authority to sanction football matches played in the United States between foreign national teams and/or foreign clubs, the USSF had and has the right to charge sanctioning fees and require the posting of a bond securing those fees;*

- (3) *The USSF had and has the right to notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that the USSF requires in connection with matches played in the United States between foreign national teams and/ or foreign clubs”*

(1 October 2009 Letter of USSF).

That same day, Stillitano responded that there was no legal basis for requiring a “*formal stipulation*” to end the proceedings. Stillitano also asserted that USSF improperly amended the three questions “*drafted by CAS*”, by asking Stillitano to stipulate that “*both now and during [his] tenure as Chief Executive Officer of ChampionsWorld, LLC, the USSF ‘had and has’ certain authority*”. Stillitano stated that the questions “*posed by CAS*” inquired only whether USSF presently has certain authority under FIFA’s statutes and regulations, “*nothing more*”. Stillitano added that, because the CAS ruling was binding upon the parties and upon FIFA, there was no longer any reason why the PSC should issue a decision at all (1 October 2009 Letter of Stillitano).

On 2 October 2009, USSF responded, again maintaining that there was no basis in the PSC’s rules or regulations or in Swiss law that would permit the PSC to close the file based on Stillitano’s unilateral request. USSF also disputed Stillitano’s assertion that USSF improperly attempted to rewrite the CAS award by requesting that Stillitano confirm his admissions as being true both now and during his tenure as CEO of ChampionsWorld. USSF argued that USSF’s Petition and both parties’ submissions to the PSC made it obvious that the dispute between the parties had its origins in the period during Stillitano’s tenure with ChampionsWorld, and that it was entirely appropriate for USSF to seek admissions that covered the entire period in question in the dispute (2 October 2009 Letter of USSF).

On 26 October 2009, in a follow-up letter to FIFA, USSF requested that the PSC advise the parties as to whether it intended to proceed with the arbitration and set a schedule for proceedings, or whether the PSC intended to issue a decision based on Stillitano’s admissions and the briefing already submitted (26 October 2009 Letter of USSF).

On 27 October 2009, Stillitano responded to USSF in a letter to FIFA opposing USSF’s suggestion that the matter be resolved by having FIFA render “*some form of decision*”. Stillitano reiterated his view that there was nothing for FIFA to decide because Stillitano did not object to the three remaining questions, and, therefore, that the matter should simply be “*closed*” (27 October 2009 Letter of Stillitano).

On 20 November 2009, FIFA sent a letter to the parties expressing its understanding that, based on the correspondence received from both parties, the matter had not been settled. Accordingly, FIFA requested that Stillitano submit his response to the substance of USSF’s Petition by 7 December 2009 (20 November 2009 Letter of FIFA).

On 24 November 2009, Stillitano sent a letter to the PSC reiterating his claim that there was no longer any dispute between the parties and no need for further proceedings in the matter because Stillitano had stipulated that the three remaining questions should be answered in the affirmative. Mr. Stillitano co-signed the letter himself before a notary public and affirmed that the statements contained in his counsel’s letter reflected his positions (24 November 2009 Letter of Stillitano).

On 27 November 2009, USSF wrote to FIFA contending that the PSC should accept Stillitano's 24 November 2009 letter both as evidence and as Stillitano's substantive response to USSF's Petition, and that, in light of Stillitano's admissions, no further briefing was necessary for the PSC to issue a formal decision in USSF's favor. Moreover, USSF asserted that, even though Stillitano did not indicate in his 24 November 2009 letter whether his admissions were intended to apply to the "*entire period of time covered by the USSF's Petition, including the period of time that he served as CEO of ChampionsWorld*", Stillitano's admissions were sufficient to cover the entire period in question because "*the applicable FIFA statutes and regulations have not changed during the relevant time period encompassed by this dispute*". Specifically, USSF asked the PSC to render a decision finding that:

... now, and throughout Mr. Stillitano's tenure as CEO of ChampionsWorld, USSF had the authority under FIFA's statutes and regulations to (1) require that a football match to be played between foreign national teams and/or foreign clubs within the United States first be sanctioned by USSF; (2) charge sanctioning fees and require the posting of a bond securing those fees; and (3) notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that USSF requires in connection with matches played in the United States between foreign national teams and/or foreign clubs.

Stillitano renewed his objections in a 16 December 2009 letter to FIFA, asserting that the only three questions CAS approved for review concerned FIFA's current statutes and regulations, and, therefore that there was no controversy ripe for decision by the PSC.

On 1 February 2010, FIFA wrote to notify the parties that the matter would indeed be submitted to the PSC, with a decision to be rendered prior to the end of February, 2010.

On 10 February 2010, the PSC issued a ruling answering in the affirmative the three remaining questions from USSF's Petition, and finding that the principles of those three determinations have applied at least since 2001, when Stillitano began promoting first division professional men's soccer exhibitions in the United States through ChampionsWorld.

On 11 March 2010, Stillitano requested the grounds for the PSC's decision. Stillitano questioned the basis upon which the PSC deemed itself to have jurisdiction to answer three questions that were not in dispute. In addition, Stillitano asked upon what basis the PSC deemed itself to have jurisdiction to decide that USSF's current rights to sanction professional soccer matches played in the United States existed throughout Stillitano's tenure as CEO of ChampionsWorld. Stillitano contended that CAS "*specifically and deliberately ruled that FIFA may only decide whether FIFA's rules alone ... currently recognize a right by USSF to sanction professional soccer matches played in the United States*", and, therefore, that the PSC's determination about USSF's past rights exceeded the scope of FIFA's jurisdiction as decided by CAS. Lastly, Stillitano asserted that CAS did not permit an administrative hearing to take place concerning the PSC's fourth determination, nor did the PSC provide any notice of an intent or desire to hold an administrative hearing concerning this last decision. Stillitano, therefore, asked the PSC to provide the basis upon which the PSC issued the fourth determination without notice or a hearing.

The PSC issued the grounds for its decision on 6 September 2010. The PSC held that it was competent to decide the three remaining questions, as amended by CAS, pursuant to article 22, paragraph 1 of the MARs, as had been confirmed by the CAS in *Stillitano I* (6 September 2010 Grounds for

Challenged Decision ¶ II.3). In addition, the PSC acknowledged that its competence to deal with the matter existed only with respect to FIFA's statutes and regulations and, therefore, that it would analyze the questions only under FIFA's rules (Id. ¶ II.4).

The PSC held that, despite Stillitano's explicit and reiterated admission that the three determinations sought by USSF, as amended by the CAS, should be answered in the affirmative, a dispute remained between the parties with respect to whether those determinations applied to the entire period during which Stillitano was CEO of ChampionsWorld. In addition, the PSC held that even though Stillitano was willing to stipulate to the three remaining questions, it was nevertheless necessary for it independently to confirm those determinations in a ruling because the matter at stake had an impact on the interpretation and application of FIFA's statutes and regulations (Id. ¶ II.6).

Turning first to the three questions, as amended by the CAS, the PSC determined that each question should be answered in the affirmative. With regard to the first question, the PSC found that USSF, as the designated national association for the United States, has the authority under FIFA's statutes and regulations to sanction football matches played in the United States between foreign national teams or clubs. The PSC relied on Article 79 paragraph 3 of the FIFA Statutes, which prohibits "*Members and their clubs [from playing] on the territory of another Member without the latter's approval*" (Id. ¶¶ II.8-10).

With respect to the second question, the PSC found that USSF has the authority to charge sanctioning fees for matches played in the United States and require the posting of a bond securing those fees. The PSC reasoned that, under the Article 73 paragraph 1 of the FIFA Statutes, Members are required to pay a fee to FIFA for every international match played between two "A" representative teams, calculated on the basis of gross receipts derived from the relevant matches. Given USSF's obligation to pay FIFA this fee, the PSC found it appropriate and fair for USSF to require the match agent to contribute to the fees payable to FIFA (Id. ¶¶ II.11-13). Furthermore, the PSC noted that national associations charged with organizing, supervising and approving football matches in their respective territories incur costs in doing so. Therefore, the PSC ruled member associations are permitted to require proportionate fees for approving all matches in its territory, not just those played by "A" representative teams, including those played between club teams. The PSC cited Article 74 of FIFA's Standard Statutes, allowing national associations to "*demand that a levy be paid by its Members [normally the clubs] for matches*". The PSC concluded that this statute similarly permitted those who stand to benefit financially from the match to be required to pay a proportionate fee to the member association hosting the match (Id. ¶¶ II.14-18).

With respect to the third question, the PSC determined that USSF has the right to notify FIFA in the event a match agent refuses to pay the sanctioning fees required by USSF. As support for this ruling, the PSC referred to Article 20 paragraph 3 of the MARs, which gives the PSC the competence to decide to withdraw a match agent's license, "*if a match agent repeatedly causes problems*". In this regard, the PSC determined that it was the responsibility of an interested party to notify FIFA if a licensed match agent did not comply with his obligations deriving from his activity as a match agent (Id. ¶¶ II.19-22).

Having made these three determinations, the PSC turned to the temporal question (i.e. USSF's request that the above three determinations also be made for the time period during Stillitano's tenure as CEO of ChampionsWorld). The PSC rejected Stillitano's assertion that the CAS limited the PSC's

competence to only the three questions, as amended by the CAS. The PSC emphasized that its competence to deal with the matter was based on Article 22, paragraph 1 of the MARs, and not on CAS's September 2009 award. While the PSC acknowledged that it was required to honor the CAS's decision striking one of the four original questions and clarifying that the PSC's competence over the three remaining questions existed only with respect to FIFA's statutes and regulations, the PSC held that it was still competent to deal with "other controversial matters" between USSF and Stillitano, related to but beyond the scope of those three determinations, including the temporal applicability of the three determinations, as long as they fell within the PSC's competence under Article 22, paragraph 1 of the MARs (*Id.* ¶¶ II.23-25).

Having found it was competent to consider the temporal applicability of FIFA's statutes and regulations, the PSC held that the principles of the above three determinations have applied since at least 2001 when ChampionsWorld, with Stillitano serving as its CEO, took up its business promoting international, first division professional men's exhibitions in the United States (*Id.* ¶ II.26).

On 24 September 2010, Stillitano filed this appeal with the CAS, requesting that the Panel (i) set aside the PSC's decision; (ii) reproach and sanction FIFA and/or USSF for contempt of the CAS; (iii) establish that the costs of the arbitration procedure to date be borne by USSF and FIFA; and (iv) condemn USSF and FIFA to the payment in favour of the Appellant of the legal expenses incurred.

On 20 October 2010, FIFA submitted its answer to Stillitano's appeal.

On 21 October 2010, USSF submitted its answer to Stillitano's appeal.

At the hearing held on 25 February 2011, the Panel asked that the parties prepare additional submissions to address two questions:

Assuming the temporal issue was properly added as part of the dispute before the Players' Status Committee, what is the impact of Article 22, paragraph 3 of the Match Agent Regulations, which prohibits the PSC from considering any dispute under those regulations "*if more than two years have elapsed since the facts leading to the dispute arose, and in any case no later than six months after the match agent concerned has terminated his activity as such?*"

Assuming the temporal issue was properly added as part of the dispute before the PSC, did the PSC correctly determine on the merits, in paragraph 26 of the Challenged Decision, that on the basis of "*the previous editions of the relevant statutes and regulations ... the principles reflected by the three determinations have applied at least since 2001?*"

The parties were given the opportunity to submit briefs addressing each question and were provided the opportunity to respond to the arguments made by the other parties.

The arguments presented in the parties' submissions, as well as the parties' answers to the additional questions raised by the Panel, are detailed below.

Stillitano requests that the Panel vacate the decision of the PSC on the following three grounds: (i) there was no "dispute" between Stillitano and USSF, and therefore there was no justiciable controversy over which FIFA could exercise jurisdiction; (ii) FIFA acted in contempt of the CAS by

varying the language of the Panel's 2009 CAS Award; and (iii) FIFA is not competent under Article 22, paragraph 1 of the MARs to decide issues relevant to Stillitano's conduct for the three years prior to the date when he became a FIFA licensed match agent.

As to the first argument, Stillitano relies on Article 22, paragraph 1 of the MARs, which provides that "[i]n the event of a dispute between a match agent and a national association ... the complaint shall be submitted to the FIFA Bureau of the Players' Status Committee for consideration and resolution". Stillitano argues that there is no "dispute between a match agent and a national association" here because Stillitano stipulated to the three questions that the CAS "rewrote and remanded" to the PSC. Therefore, Stillitano argues, the PSC's jurisdiction over this matter was terminated.

Second, Stillitano argues that USSF and FIFA impermissibly modified the three questions posed by the CAS by rephrasing those questions in a manner that was more beneficial to USSF's and FIFA's interests. In rephrasing the questions, Stillitano argues that FIFA disregarded the 2009 CAS Award. Stillitano asserts that FIFA's bias with respect to the Challenged Decision is "manifest" given the pecuniary benefit FIFA received from USSF's "anticompetitive and fraudulent conduct". Moreover, Stillitano suggests that, considering the "massive advantages" FIFA and USSF were to receive from the Challenged Decision, FIFA and USSF "may have agreed on the 'rephrasing' of the questions and on its wording, so as to suit their own purposes"⁵.

Stillitano's third argument is that the PSC lacked competence under Article 22, paragraph 1 of the MARs to render any decision concerning Stillitano with regard to a period prior to the time when he received his FIFA match agent license. Stillitano noted that it is undisputed that he did not become a FIFA licensed match agent until 4 June 2004, during the final year of ChampionsWorld's operations. Accordingly, Stillitano asserts, the PSC should not have rendered any decision regarding conduct that occurred between 2001 and 4 June 2004.

With respect to the two questions posed by the Panel at the hearing, Stillitano argues that the temporal question was not properly added, and since the temporal issue was added in 2009 or 2010, it is time-barred under Article 22, paragraph 3 of the MARs. Stillitano argues that the claim submitted to the PSC was untimely because the facts that the USSF sought to challenge were complete in 2005 when ChampionsWorld ceased doing business, more than four years before the temporal question was added.

With regard to the second question, Stillitano argues that the PSC erred by finding that the principles of the three determinations have remained substantially the same in FIFA's statutes and regulations since at least 2001. Stillitano asserts that, prior to 2000, only FIFA had the right to approve international matches, although FIFA could delegate this right to the confederations under Article 40 of the FIFA statutes. Stillitano argues that the first time a FIFA statute purported to grant a host federation authority over international matches played within its territory was when the FIFA statutes

⁵ Stillitano submitted evidence to the Panel that he claims indicates that USSF and FIFA representatives had *ex parte* meetings and communications during the time when the Challenged Decision was pending. Stillitano asserts that this evidence is directly relevant to its claims that USSF and FIFA colluded in rephrasing the questions to be answered by the PSC. USSF and FIFA both vehemently deny ever having *ex parte* meetings or communications regarding the substance of the dispute between USSF and Stillitano.

were amended on 5 August 2000. Stillitano argues that Article 57, paragraph 4 of the 2000 edition of the FIFA statutes, stating that “[m]embers may not play on territories of another national association without the consent of the latter” only applied to matches played between foreign national teams and not foreign club teams.

Stillitano argues that the first time international club matches were required to be approved by the host member association was in 2004 when the applicable statute was amended to state that “[m]embers and their clubs may not play on the territories of another national association without the consent of the latter”. Stillitano asserts that, while ChampionsWorld promoted a few matches between national teams, the vast majority of his activities concerned international club teams, and therefore, through the end of 2003, USSF had no basis for asserting that FIFA’s rules permitted it to sanction the vast majority of the ChampionsWorld-promoted matches.

USSF contends that Stillitano’s objection to the PSC’s competence to render the Challenged Decision is barred by *res judicata* because the 2009 CAS Award in *Stillitano I* clearly affirmed FIFA’s jurisdiction to answer the three remaining questions from USSF’s Petition, as modified by the CAS, under FIFA’s statutes and regulations. USSF asserts that, pursuant to Article R59 of the CAS Code and Swiss arbitration law, the 2009 CAS Award became final and binding as of its notification to the parties, and CAS rules provide no internal appeal mechanism or grounds whereby a subsequent CAS Panel may overrule a prior CAS award.

Second, USSF contends that the PSC was competent to consider the “temporal applicability” of FIFA’s statutes and regulations. In this regard, USSF asserts that the CAS already contemplated in the 2009 CAS Award that the PSC would address the temporal issue as a substantive issue on the merits. Moreover, USSF argues Article 22, paragraph 1 and Article 26 of the MARs give the PSC jurisdiction over all disputes between a match agent and a national association, whether based on past, present or future conduct.

Third, USSF argues that it did not “overrule” CAS, “rewrite” the questions presented in its Petition, or subvert the CAS’s award in any way by seeking a ruling regarding its authority for the period during which Stillitano was CEO of ChampionsWorld. USSF asserts that it is obvious from USSF’s Petition and USSF’s and Stillitano’s subsequent submissions to both the PSC and the CAS that this case has always been about USSF’s authority under FIFA’s statutes and regulations over the sport of football in the United States during the time that Stillitano was CEO of ChampionsWorld. USSF cites the 2009 CAS Award (¶ 10.4), which observed that the dispute arose directly out of the pending litigation before the District Court between ChampionsWorld on the one hand and USSF and Major League Soccer on the other over match agreements entered into between USSF and ChampionsWorld from 2001 to 2004. Accordingly, USSF asserts that its request for a ruling regarding its authority for the period during which Stillitano arranged matches through ChampionsWorld was “entirely consistent with the parties’ extended dispute throughout these proceedings and the U.S. Action”.

Furthermore, USSF argues that Stillitano always understood the temporal scope of USSF’s Petition and had even claimed during the previous CAS arbitration that the PSC lacked jurisdiction over this matter because it “would put FIFA in the position of improperly having to render a retroactive decision regarding USSF’s conduct during a timeframe before Appellant became a FIFA match agent licensee” (2009 CAS Award

¶ 5.4). Accordingly, USSF asserts that it is Stillitano who now has attempted to alter the plain meaning of the questions raised in USSF's Petition in order to avoid any ruling being issued by the PSC.

Fourth, USSF rejects Stillitano's argument that there was no justiciable controversy, arguing that, despite Stillitano's attempts to stipulate to the three remaining questions, the parties continue to dispute several critical issues, specifically the scope of USSF's authority under FIFA's statutes and regulations during the time period relevant to the issues disputed in the U.S. litigation. Moreover, USSF argues that neither FIFA's regulations nor Swiss law provide any authority pursuant to which Stillitano could unilaterally close validly initiated proceedings before the PSC, without the PSC rendering a formal decision.

With respect to the impact of Article 22, paragraph 3 on this proceeding, USSF argues that this provision limits the jurisdiction of the PSC and, therefore, the Panel was required to consider its impact when the 2009 CAS Award in *Stillitano I* was issued. USSF argues that, because the Panel previously found in *Stillitano I* that the PSC was competent to hear this dispute, and because that previous award is binding under Swiss law, further examination of jurisdictional issues is precluded by *res judicata*.

Alternatively, USSF argues that Article 22, paragraph 3 does not bar its Petition because the declaratory relief sought relates not to a particular event that is fixed in time, but to a continuing dispute between USSF and Stillitano over the interpretation of FIFA's rules and regulations regarding USSF's sanctioning authority. In addition, USSF asserts that even though the questions presented by USSF's Petition required the PSC to interpret the FIFA statutes and regulations in effect at the time Stillitano was CEO of ChampionsWorld (2001-2004), the dispute that gave rise to the Petition developed much later because Stillitano had previously paid all of the USSF-required sanctioning fees under the match agreements. USSF states that, at the earliest, the dispute first arose when Stillitano contested USSF's authority in the District Court. Moreover, USSF argues, the "*facts giving rise to the dispute*" continued until, at the earliest, 2009, when Stillitano stated before the Panel during the hearing in *Stillitano I* that he continued to dispute USSF's authority to sanction and charge fees for matches.

USSF also argues that the PSC correctly held on the merits that the principles of its three determinations have applied at least since 2001. USSF submits that Article 57, paragraph 4 of the FIFA Statutes in effect in 2001 granted a national association the authority to sanction matches played between foreign national teams. With respect to club teams, USSF argues that Article 9 of the FIFA Regulations in effect in 2001 authorized USSF to sanction such matches. Article 9 provided:

- (1) No interclub or interleague matches between teams from different national associations shall be played without the express authorization of the national associations concerned. The national associations shall include a provision in their regulations stipulating at what point of time the clubs are required to seek authorisation and, in addition, the sanctions to be imposed if this rule is breached.
- (3) A national association shall inform the national associations concerned of every match which it knows has been arranged and played in their area of jurisdiction and for which permission was either not sought or not given.

USSF argues that because national associations have an interest in overseeing matches played in their respective territories, including those matches played by club teams, the PSC properly interpreted the phrase “*national associations concerned*” to include a national association on whose territory a match is played. Although FIFA revised Article 57, paragraph 4 in the 2004 version of its Statutes so that it stated “*Members and their clubs may not play on the territory of another Member without the latter’s approval*” (emphasis added), USSF argues that this change reflected a clarification of a principle that had existed in the Regulations for more than a decade. Moreover, FIFA asserts that this clarification provided further evidence that FIFA not only intended, but expected a national association on whose territory a match was played to be responsible for sanctioning the match.

Next, USSF asserts that Article 52 of the FIFA Statutes in effect in 2001, and Article 70 of the FIFA Statutes as amended in 2004 provide support for the PSC’s determination that USSF had the authority since at least 2001 to charge sanctioning fees for matches played in the United States. USSF submits that the plain language of these provisions makes clear that USSF is required to pay FIFA fees for every international “A” match played in the United States, and that the PSC correctly determined that, since the Regulations obligate a national association to pay a levy to FIFA (and possibly to the confederation), it was appropriate for USSF to pass that obligation on to the match agent through the charging of a sanctioning fee. USSF adds that, because there is no material difference between Article 70 of the 2004 edition of the Statutes and Article 52 of the 2000 edition, the PSC correctly concluded that the principles reflected by its second determination have applied since at least 2001.

Finally, USSF asserts that the PSC appropriately relied on Article 20, paragraph 3 of the 2003 edition of the MARs (the version currently in effect) in holding that USSF has the right to notify the PSC if it has a repeated dispute with a match agent. USSF asserts that the corresponding provision of the 1995 edition of the MARs (the version in effect in 2001) is virtually identical to the 2003 provision. Therefore, USSF submits that the PSC properly concluded that the principles reflected by its third determination have applied since at least 2001.

FIFA argues that the PSC properly rendered a decision in this matter despite Stillitano’s stipulation to the three remaining questions because the parties still disputed their temporal scope. FIFA asserts that USSF, even after Stillitano’s admissions, sought clarification from FIFA with respect to the temporal question and, without an agreed settlement between the parties, the PSC could not administratively close the file without issuing a decision. At all events, FIFA asserts that because the subject matter concerned the interpretation and application of FIFA’s statutes and regulations, only the PSC (and not the parties themselves, even by mutual consent) could appropriately provide the answer to the three determinations.

FIFA also argues that USSF did not improperly rephrase or disregard the questions framed by the CAS by requesting a clarification as to their temporal scope. Instead, FIFA asserts that USSF merely asked the PSC to decide on a matter closely related to those questions, which FIFA claims it was perfectly entitled to do. FIFA submits that a party before FIFA’s deciding bodies is permitted to amend a submission or file an additional motion to its already pending claim, so long as the dispute has not yet been submitted for a final decision, and the opposing party or parties are given the opportunity to respond. FIFA also asserts that the 2009 CAS Award cannot be viewed as a general

limitation on the PSC's jurisdiction, as the PSC's jurisdiction derives from Article 22, paragraph 1 of the MARs and not from the CAS.

FIFA dismisses Stillitano's argument that the PSC "*overruled*" and acted "*in contempt*" of the CAS, asserting instead that the PSC merely issued answers to the three questions presented before it and ruled on the temporal applicability of those answers. FIFA also denies any bias, and points to the CAS's prior ruling that it was competent to decide the three remaining questions as an implicit finding by CAS that FIFA was in a position to fairly consider and rule on those questions. FIFA also disputed Stillitano's allegations that FIFA and USSF conspired to rephrase the questions for their own purposes as "*defamatory and unsubstantiated*".

With respect to the PSC's competence to rule on the temporal application of FIFA's statutes and regulations, FIFA asserts that the PSC's competence derives from Article 22, paragraph 1 of the MARs, which does not contain a temporal limitation. Because this dispute involves a licensed match agent and a national association, FIFA asserts, the PSC was competent to decide it. According to FIFA, the fact that Stillitano did not obtain his match agent license until 2004 is irrelevant because the claim advanced by ChampionsWorld in the District Court, out of which this dispute arose, relates to a period beginning in 2001. Therefore, FIFA asserts, the parties had a manifest legal interest in receiving clarification from FIFA as to the scope of USSF's authority under FIFA's statutes and regulations during this time period. Moreover, as further support for the PSC's competence to consider and rule on the temporal question, FIFA cites Article 26 of the MARs, which provides that "[a]ny matter not provided for in these regulations shall be settled by the FIFA Players' Status Committee". FIFA asserts that this provision grants the PSC broad discretion with respect to issues related to the activity of match agents.

In its post-hearing submissions, FIFA argues that Article 22, paragraph 3 did not preclude the PSC from hearing this dispute because that provision, by its wording, applies only to disputes arising from a particular and clearly identifiable event, not an on-going and continuing dispute. Because, as FIFA submits, this dispute arose not from a particular occurrence but from a string of complex and "*on-going events, circumstances and judicial procedures*", this dispute cannot be considered to have arisen out of one particular event for which a specific end point could be precisely identified. FIFA asserts that, because USSF's Petition was declaratory in nature and sought resolution of a continuing dispute, it could have been lodged at any time as long as USSF (the petitioner) had a legitimate interest in its resolution.

FIFA also asserts that the PSC correctly decided on the merits that the principles of its three determinations have applied since at least 2001. FIFA submits that the basis of the PSC's decision with respect to USSF's authority to sanction matches derives from Article 79, paragraph 3 of the 2008 edition of the FIFA statutes, Article 77, paragraph 3 of the 2007 edition of the statutes, Article 76, paragraph 3 of the 2004 edition of the statutes, and Article 57, paragraph 4 of the 2000 and 2001 editions of the statutes (in conjunction with Article 9, paragraphs 1 and 2 of the 2000 and 2001 editions of the Regulations Governing the Application of the Statutes ("Regulations")).

Although FIFA amended its Statutes in 2004 so that Article 57, paragraph 4 for the first time expressly gave national associations sanctioning authority over club matches played in their territories, FIFA

asserts that this “*basic concept*” has been part of FIFA’s statutes and regulations since well before 2001. In this regard, FIFA submits that one of the basic tenets of FIFA and its member organizations is that its national association members control association football within their respective territory. FIFA states that, as of 2000, this principle was reflected in Article 1, paragraph 2 of the FIFA Statutes, which provides that “*FIFA shall consist of the national associations which are affiliated to it and recognized by it as controlling association football in their respective countries*”. In addition, FIFA submits that Article 9 of the 1996 Regulations Governing the Application of the Statutes⁶ makes clear that club team matches must be approved by all “*national associations concerned*”, and that Article 9, paragraph 2 of the 1996 Regulations⁷ makes clear that the national association on whose territory a match is played is one of the “*national associations concerned*”. As further support for this position, FIFA asserts that Article 22 of the 1996 Regulations⁸ clearly reflected the national association’s primary responsibility over foreign interclub matches played on its territory.

FIFA also argues that the PSC was correct in determining that, since at least 2001, USSF has had the authority to charge sanctioning fees for matches played between foreign club and/or foreign national teams. According to FIFA, the principle that USSF may charge sanctioning fees derives from Article 73, paragraph 1 of the 2008 edition of the FIFA statutes (this provision can be found under Article 46, paragraph 1 of the 1990 edition of the statutes), which requires that a national association pay a levy to FIFA for every international match played between two “A” representative teams.

Finally, FIFA contends that the authority of a national association to report a match agent to the PSC derives from Article 20, paragraph 3 of the 2003 edition of the MARs and Article 19, paragraph 3 of the 1995 edition of the MARs, which provide that “[i]f a match agent repeatedly causes problems, the FIFA Players’ Status Committee may decide to withdraw his license”.

A hearing was held on 25 February 2011 in New York, USA. All the members of the Panel were present, as were Mr. Lucas Ferrer, Counsel to the CAS, and the Ad-hoc Clerk. At the outset of the hearing, the parties declared that they had no objection to the composition of the Panel.

LAW

CAS jurisdiction

1. The jurisdiction of the CAS, which is not disputed, derives from Articles 62 & 63 of the FIFA Statutes and R47 of the CAS Code.

⁶ Article 9, paragraph 1 provides, “No interclub or interleague matches between teams from different national association shall be played without the express authorisation of the national associations concerned. The national associations shall include a provision in their regulations stipulating at what point of time the clubs are required to seek authorisation and, in addition, the sanction imposed if this rule is breached”.

⁷ Article 9, paragraph 2 provides, “A national association shall inform the national associations concerned of every match which it knows has been arranged and played in their area of jurisdiction and for which permission was either not sought or not given”.

⁸ Article 22, paragraph 1 provides, “If an expulsion has been imposed by a referee during an interclub match involving clubs from different national associations, the association on whose territory the match was played shall inform the other association immediately of the expulsion”.

2. It follows that the CAS has jurisdiction to decide the present dispute.
3. Under R57 of the CAS Code, the Panel has full power to review the facts and the law.

Applicable law

4. Article R58 of the CAS Code provides the following:
The Panel shall decide the dispute according to the applicable regulations and 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.
5. Article 62, paragraph 2, of the FIFA Statutes provides:
The provisions of the CAS Code of Sports-Related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law.
6. Accordingly, pursuant to these provisions, this case is governed principally by FIFA's Statutes and Regulations, and Swiss Law complementarily.

Admissibility

7. The appeal was filed within the deadline provided by the FIFA Statutes and stated in the Challenged Decision. The appeal complied with all other requirements of Article R48 of the CAS Code, including the payment of the CAS Court office fees.

Issues

8. Given that the three determinations that the CAS found the PSC competent to consider were phrased in the present tense (and therefore appeared to seek determinations only with respect to FIFA's rules and regulations as of 2008 or 2009), was it proper for USSF to add, and/or for the PSC to consider, the question of whether the principles of the three determinations have applied at least since 2001 (the "temporal question")?
9. Was it proper for the PSC to consider and render a decision in this matter given Stillitano's proffered stipulation that the three determinations that the CAS found the PSC competent to consider should be answered in the affirmative?
10. Assuming it was proper for USSF to add, and/or for the PSC to consider, the temporal question:

- (1) Was the temporal question time barred by Article 22, paragraph 3 of the MARs, which prohibits the PSC from considering any dispute under those regulations “*if more than two years have elapsed since the facts leading to the dispute arose, and in any case no later than six months after the match agent concerned has terminated his activity as such?*”
 - (2) Did the PSC have jurisdiction to issue a decision with respect to a period before the time when Stillitano became a licensed match agent in 2004?
11. Assuming it was proper for USSF to add, and/or for the PSC to consider, the temporal question, and for the PSC to issue a decision with respect to a period before the time when Stillitano became a licensed match agent in 2004, did the PSC correctly determine on the merits that the answer to the three determinations sought is “yes” and that, on the basis of “*the previous editions of the relevant statutes and regulations ... the principles reflected by the three determinations have applied at least since 2001?*”.

Merits

A. *The Temporal Question*

12. The Panel finds no merit to the argument that USSF and/or FIFA improperly added the temporal question to USSF’s Petition and acted in contempt of the CAS. Nothing in the Panel’s award in *Stillitano I* restricted USSF from amending its Petition so that the request for relief expressly addressed the temporal issue. Nor did the Panel’s decision state that the temporal issue went beyond the competence of the PSC. As asserted by FIFA, the PSC’s competence to hear a dispute between a national association and a match agent derives not from the 2009 CAS Award, but from Article 22, paragraph 1 and Article 26 of the MARs.
13. While it is true that the Panel in its award in *Stillitano I* held that the PSC was competent under Article 22, paragraph 1 and Article 26 to render a decision on only three of the four determinations sought in USSF’s Petition, and only with respect to FIFA’s statutes and regulations, the Panel plainly did not limit the competence of the PSC to rule on other matters encompassed by those Articles. The Panel ruled that the PSC was not competent to consider the third determination in USSF’s Petition only because it framed a dispute directly between Stillitano and FIFA, a dispute not encompassed by Article 22 of the MARs (2009 CAS Award ¶ 10.2). In addition, the Panel amended the wording of the determinations sought only to clarify that FIFA’s competence in this matter existed only with respect to FIFA’s statutes and regulations, and that the PSC could not decide questions regarding U.S. law.
14. After the Panel issued its award in *Stillitano I*, the case was remanded to the PSC for the proceedings to be continued in accordance with the PSC’s procedural rules. As explained in ¶ 10.2 of the Panel’s award in *Stillitano I*, the 2009 CAS Award concerned the general jurisdiction and competence of the PSC to hear USSF’s Petition. However, this Award was not aimed at, nor should it be understood as, interfering with proceedings before the PSC, including the PSC procedural rules and regulations. Therefore, once the proceedings were remanded to the PSC, any procedural request – such as the USSF’s request to amend its petition by adding the

temporal question – was to be examined and decided by the PSC in light of the procedural rules and regulations applicable to proceedings before the PSC.

15. Nothing in the FIFA Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber prevents a party from amending its submission prior to the dispute being submitted to the PSC for a decision on the merits. As FIFA noted in its submission, it is permissible for a party to amend or complement its already pending petition, so long as the petition has not yet been submitted for a final decision and so long as the opposing party is given an opportunity to respond. Indeed, USSF expressly raised the temporal question after Stillitano stipulated to the three remaining questions. At the time USSF raised the temporal question, USSF's Petition had not yet been submitted for a final decision and, as evidenced by FIFA's 20 November 2009 letter to the parties, Stillitano was provided the opportunity to substantively respond to the temporal question.
16. Moreover, the Panel finds the evidence in the record insufficient to establish Stillitano's claims that USSF and FIFA engaged in improper communications and conspired to improperly rephrase the questions to suit their own purposes.
17. Accordingly, the Panel holds that the addition of the temporal question did not violate the 2009 CAS Award and was otherwise proper under the rules governing proceedings before the PSC.

B. Stillitano's Stipulation

18. The Panel also rejects the claim that there was no longer a dispute for the PSC to consider after Stillitano proffered a stipulation that the three remaining questions should all be answered in the affirmative. While Stillitano was willing to agree that USSF currently has the authority under FIFA's statutes and regulations to sanction football matches played between national teams and/or foreign clubs in the United States, USSF clearly still sought a ruling from the PSC with regard to USSF's authority during the time period relevant to the underlying claims in the U.S. litigation (2001-2004). Indeed, obtaining a ruling on this issue was the very purpose of USSF's Petition and it is apparent from the record in this matter that Stillitano and USSF continue to dispute the scope of USSF's authority under FIFA's statutes and regulations during that time period. The dispute as to USSF's authority during this time period was also the basis for USSF's request to amend its Petition to add the temporal question – a request that the Panel has already determined was properly made.
19. USSF clearly was unwilling to settle the dispute based on Stillitano's limited admissions. The amendment to USSF's Petition clarified the ongoing dispute between the parties as to the temporal applicability of any decision that would be rendered by the PSC. Although USSF's Petition had originally been framed in the present tense, USSF asserts that the Petition was always intended to apply to the underlying dispute in the ChampionsWorld litigation – a position Stillitano contests. The amendment to USSF's Petition, which could have been avoided by an earlier recognition by USSF that its original Petition was unclear as to the time period to which it applied, was nevertheless properly and timely made. The addition of the temporal

question and the subsequent correspondence between the parties indicates that the dispute between the parties had not been resolved.

20. The Panel also finds persuasive FIFA's assertion that, because the dispute between the parties concerns the interpretation and application of FIFA's statutes and regulations, only the PSC, and not the parties themselves, even if by mutual consent, is competent to provide the answer to the three determinations.
21. Therefore, the Panel holds that it was entirely proper for the PSC to proceed to render a decision in this case.

C. *Article 22, Paragraph 3 of the MARs*

22. The Panel also finds that Article 22, paragraph 3 of the MARs did not bar the PSC from considering this dispute. Article 22, paragraph 3 states that “[t]he FIFA Players’ Status Committee shall not consider any dispute under these regulations if more than two years have elapsed since the facts leading to the dispute arose, and in any case no later than six months after the match agent concerned has terminated his activity as such”.
23. As asserted by FIFA, Article 22, paragraph 3 was designed to bar those disputes arising out of a clearly identifiable set of facts. USSF sought determinations from FIFA to resolve a general and continuing dispute between USSF and Stillitano over the scope of USSF's authority under FIFA's statutes and regulations dating back to 2001. While the dispute raised by USSF's Petition is related, of course, to the specific claims at issue in the ChampionsWorld litigation in the U.S. District Court, which themselves did arise out of a discreet set of facts, the dispute at issue before the PSC and the CAS over USSF's authority, as framed in the USSF Petition, is general in nature and not directly and specifically tied to any discreet set of facts. Accordingly, the Panel finds that the PSC's consideration of this dispute was not time barred.
24. The Panel also considers the fact that none of the parties, or the PSC, ever previously asserted that Article 22, paragraph 3 barred the PSC's consideration of the present dispute, or the temporal issue. The U.S. District Court found that Article 22, paragraph 3 did not prevent the dispute from being arbitrated before the PSC because ChampionsWorld never raised that argument in two years of briefing (see 4 May 2007 Order of the District Court); the PSC never raised or ruled on the issue of Article 22, paragraph 3; and, until the Panel *sua sponte* raised the issue of Article 22, paragraph 3 during the hearing, Stillitano never argued that the provision barred the PSC's consideration of the dispute. All of this suggests that the parties and the PSC viewed the dispute raised by USSF's Petition as a continuing dispute over the scope of USSF's authority under FIFA's statutes and regulations, and not as arising out of a discreet set of facts to which Article 22, paragraph 3's time bar would be applicable.
25. The Panel also holds that the PSC did not exceed its authority by rendering a decision applicable to a period before Stillitano became a FIFA licensed match agent. While Article 22, paragraph 1 of the MARs requires a dispute between a national association and a match agent, once that

dispute has properly been submitted to the PSC for resolution, nothing in Article 22 or any other provision of the MARs prohibits the PSC from deciding issues that relate to a period before the match agent actually received his or her license. As the Panel held in *Stillitano I*, the PSC had competence under Article 22, paragraph 1 to resolve the issues raised by USSF's Petition because that Petition adequately set forth a dispute between USSF and Stillitano (a licensed match agent) concerning USSF's authority to charge sanctioning fees for matches played between foreign national teams and/or foreign clubs within the United States (2009 CAS Award ¶ 10.4). As the Panel also held in *Stillitano I*, "*whether the [PSC] will make any ruling respecting the period of time prior to the issuance of Stillitano's match agent license is a substantive question that goes to the merits of the dispute and not the question of the [PSC]'s competence to deal with the question as a matter of principle ...*" (*Id.* at ¶ 10.6).

26. The Panel has found above that a dispute still exists between USSF and Stillitano, despite Stillitano's proffered admissions, regarding the scope of USSF's authority to sanction certain football matches during the time period when Stillitano was arranging matches through ChampionsWorld (2001-2004). Having competence over this dispute pursuant to Article 22, paragraph 1, Stillitano offers no persuasive argument why the PSC could not render a decision on the merits to resolve that dispute. Moreover, in finding that the PSC did not exceed its authority, the Panel notes that the PSC's decision is declaratory in nature and opines only generally on the scope of USSF's authority to sanction football matches under current and previous editions of FIFA's statutes and regulations. Indeed the decision, in its wording, refers to the time period "*when ChampionsWorld, the licensed match agent Charles Stillitano serving as its CEO, took up its business of promoting international, first division professional men's soccer exhibitions in the United States*"; however, this is merely a way of defining a specific period of time, while the decision does not relate to any specific activities undertaken by Stillitano.
27. Accordingly, the Panel finds that Stillitano's status with respect to FIFA during the time period in question is not directly relevant to the merits of the limited, specific dispute brought before the PSC.
28. Because Stillitano's status with respect to FIFA between 2001 and 2004 was not directly relevant to the dispute before the PSC, it would have been preferable if the PSC, when addressing itself to the temporal issue, had simply said that "[t]he above-mentioned principles have applied at least since 2001", and left it at that. There was no need for the PSC to include the phrase "*when ChampionsWorld, the licensed match agent Charles Stillitano serving as its CEO, took up its business of promoting international, first division professional men's soccer exhibitions in the United States*". Nevertheless, since the Panel finds Stillitano's status with respect to FIFA between 2001 and 2004 not to be directly relevant to the dispute before the PSC, the Panel concludes that this unnecessary language does not change the nature of the decision from a general one to a specific one. Therefore, the Panel finds there is no need to redraft this determination.

D. *The PSC's Decision on the Merits*

29. As an initial matter, the Panel notes that, although the CAS reviews appeals *de novo*, sporting federations are afforded broad discretion when interpreting their own statutes and regulations. Accordingly, the Panel will not substitute its own judgment for the judgment of the PSC unless the PSC's judgment was "*manifestly erroneous or plainly inconsistent with the clear wording of the regulations, or was rendered in violation of a party's fundamental rights or public policy*" (CAS 2009/A/1812 at 10.7, citing CAS 2006/A/1192).
30. With respect to the first determination, the PSC held that, under FIFA's statutes and regulations, USSF has the authority to sanction matches played between foreign national teams and/or foreign clubs, and that this sanctioning authority has applied since at least 2001. Although USSF's authority to sanction matches played between both foreign clubs and foreign national teams was not expressly provided for in the FIFA statutes until 2004, the Panel finds that the PSC's determination that this authority has existed since at least 2001 is not manifestly erroneous or plainly inconsistent with the clear wording of FIFA's statutes or regulations. While FIFA's statutes at least since 2001 have expressly provided USSF with the authority to sanction matches involving national teams played in the United States, USSF's authority to sanction matches involving only foreign club teams was not stated expressly in the relevant statute until 2004. Nevertheless, the Panel holds there is adequate support in FIFA's regulations for the principle that USSF's authority to sanction matches played between foreign club teams has also existed since at least 2001, and that its express incorporation into the 2004 edition of the FIFA statutes did not reflect a material change in USSF's authority, but rather a clarification of its already existing authority.
31. Article 9, paragraphs 1 & 2 of the 2001 version of the Regulations Governing the Application of the FIFA Statutes provided that "[n]o interclub or interleague matches between teams from different national associations shall be played without the express authorization of the national associations concerned". Given USSF's responsibility to oversee matches played in the United States, USSF appears plainly to have been a "national association concerned" with respect to club matches played on its territory, even if those matches involved clubs from two other national associations. For example, Article 22, paragraph 1 of the 1996 FIFA Regulations Governing the Application of the FIFA Statutes required that "if an expulsion has been imposed by a referee during an interclub match ... involving clubs from different national associations, the association on whose territory the match was played shall inform the other association immediately of the expulsion" (emphasis added). As FIFA asserts, this provision reflects the host national association's primary responsibility over foreign interclub matches played on its territory and underscores why the authorization of the national association on whose territory a match is played is required.
32. Moreover, the Panel finds persuasive FIFA's assertion that "[o]ne of the basic tenets of FIFA and its member organizations is that its national association members control association football within their respective territory". Association Football as defined in the FIFA Statutes is not limited to games played

⁹ FIFA asserts that this principle was reflected in Article 1, paragraph 2 of the 2000 edition of the FIFA Statutes, which stated: "FIFA shall consist of the national associations which are affiliated to it and recognized by it as controlling association football in their respective countries".

between national teams, but includes all games “*controlled by FIFA and organised in accordance with the Laws of the Game*” (FIFA Statutes, Definitions). Accordingly, the Panel affirms the PSC’s ruling that, under FIFA’s statutes and regulations, USSF has the authority to sanction matches played between foreign national teams and/or foreign clubs, and that this sanctioning authority has applied since at least 2001.

33. The Panel also affirms the PSC’s ruling that USSF has the authority, under FIFA’s statutes and regulations, to charge sanctioning fees for matches played between both foreign national teams and/or foreign clubs in the United States, and that this authority has existed since at least 2001. While FIFA’s statutes and regulations do not contain any provision directly addressing a national association’s authority to charge fees, the Panel notes that there is no provision that would prohibit a national association from charging sanctioning fees in conjunction with its sanctioning authority. The Panel also finds, as set forth below, that the PSC adequately supported its determination in this regard by citing to several provisions of FIFA’s statutes and regulations.
34. As the PSC noted, under the current edition of the FIFA Statutes, national associations are obligated to pay a percentage of the gross gate receipts to FIFA for every match played between two “A” representative teams; an “A” representative team is a national team fielded by a member association (FIFA Regulations, Art. 3 para. 2 (2008)). The national associations’ obligation to pay such fees for matches played between two “A” representative teams has existed in the FIFA Statutes since at least 1990. The PSC determined that, if a match between two “A” representative teams is organized by a FIFA match agent, then it is appropriate and fair for the national association concerned to require the match agent to contribute to the payment of the fees due to FIFA (6 September 2010 Grounds for Challenged Decision ¶ II.13).
35. Although FIFA’s statutes do not expressly require national associations to pay any similar fees for matches played between foreign club teams, the PSC noted that national associations are entrusted by FIFA with organizing and supervising any association football on their respective territories, including matches between club teams. The PSC also noted that national associations will incur costs in monitoring and approving matches played in its territory, whether the matches played are between foreign national teams and/ or foreign clubs. Accordingly, the PSC held that national associations have the authority to charge fees to cover its costs in monitoring and approving any matches that the national association is required by FIFA to sanction – not just matches between two “A” representative teams (*Id.* ¶¶ II.14-15.)
36. The PSC found further support for the principle that member associations can charge fees for matches played in its own territory in article 74 of the FIFA Standard Statutes. Under article 74 of the Standard Statutes, a national association may “*demand that a levy be paid by [the members of the national association, normally the clubs] for matches*”. The PSC determined that the Standard Statutes reflected the principle that those benefiting financially from matches played in a national association’s territory should be asked to contribute to the “*costs that are incurred through the establishment and maintenance of well-organised football at a national and worldwide level*” (*Id.* ¶ II.16.) Therefore, the PSC found it was reasonable for national associations to charge fees for foreign club teams playing matches in its territory.

37. Accordingly, the Panel finds the PSC's determination that USSF has, and has had since at least 2001, the right to charge fees in connection with its sanctioning authority not manifestly erroneous or plainly inconsistent with the clear wording of FIFA's statutes or regulations.
38. The Panel also affirms the decision of the PSC that USSF has the authority, under FIFA's statutes and regulations, to notify FIFA in the event that a FIFA licensed match agent refuses to pay the sanctioning fees or post the performance bonds that the USSF requires in connection with matches played in the United States between foreign national teams and/or foreign clubs, and that this authority has existed since at least 2001. As noted by the PSC, Article 20, paragraph 3 of the 2003 edition of the MARs states that "*if a match agent repeatedly causes problems, the FIFA PSC may decide to withdraw his license*". This principle had been incorporated into the MARs at least since 1995 (See FIFA MARs Article 19, paragraph 3 (1995 ed.)). For article 20 paragraph 3 to have any effect, it follows that a national association should be permitted to notify the PSC of a match agent's failure to comply with the national association's regulations.

The Court of Arbitration for Sport rules:

1. The appeal of Charles Stillitano, dated 24 September 2010, against the Decision of the Bureau of the Players' Status Committee of FIFA, passed on 10 February 2010, is denied.
2. (...).
3. (...).
4. All other requests for relief are denied.