Arbitration CAS 2011/A/2559 Genoa Cricket FC S.p.A. v. Sports Club Corinthians Paulista, award of 27 April 2012

Panel: Mr Lars Hilliger (Denmark), President; Mr José Juan Pinto (Spain); Mr Rui Botica Santos (Portugal)

Football
Training compensation
Effects of a loan on entitlement to training compensation
Training compensation as part of the compensation agreed for a player's transfer
Completion of a player's training period
Professional contracts signed at a very young age and penalty clauses included in the contract

1. **A training club is entitled to training compensation for the relevant period of time of training in which the player was registered with it as a consequence of a loan from another club, unless the loaning club can demonstrate that it bore the costs for the player's training for the duration of the loan. The obligation to pay training compensation arises only in case a player is definitively transferred from one club to another, with the effect that the club which transferred the player on a loan basis to another club is entitled to training compensation for the period of time during which it effectively trained the player, but excluding the period of time of the loans to the other clubs.**

2. **If in the scope of a player's transfer two parties conclude an agreement providing for their respective financial obligations, namely compensation, training compensation is regarded as being included in such compensation unless otherwise expressly agreed. However, in the absence of any proof by the new club that an amount paid by the player (through a company) to the former club as a result of an agreement under which the player's employment contract would be terminated against the payment of such amount on behalf of the player, must be assumed to constitute payment of the transfer compensation to the former club and must be assumed to have been made on behalf of the new club, no training compensation may be deemed to have already been paid by the new club to the former one. It is indeed the debtor (the new club)'s obligation to ensure that its payment reaches the creditor (the former club) and the creditor knows or is informed of the identity of the payment sender. This last obligation is of particular relevance when the creditor has a justified expectation of receiving a corresponding payment from/on behalf of a third party (the player).**

3. **Various factors are generally included in the assessment of whether a player's training period must be deemed to have been completed before the age of 21, including regular performance for a club's "A" team, the player's value for the club, reflected in the salary the player is paid, in the loan fee that is achieved for his services or in the value of the**

player's transfer, the player's public notoriety at national and international level, his position at the club if established as a regular or even holding the captaincy, his regular inclusion in the national team and so forth.

4. **There is a general tendency for talented young players to sign professional contracts at a very early stage of their budding careers, not least in an attempt by the clubs to secure a potential, financial gain afterwards in the event of a transfer to another club within the period of the contract. This is also taken into consideration to a considerable extent when determining the amount of penalty clauses in the contracts in question, with the effect that the size of the amount specified in the clause presumably reflects the clubs' ambition to secure a financial gain for themselves much more than it reflects a thorough and constantly adequate assessment of the player's real, actual and, not least, expected value.**

1. THE PARTIES

1.1 Genoa Cricket FC S.p.A. (the "Appellant") is an Italian football club affiliated with the Federazione Italiano Giuoco Calcio (the "FIGC"), which in turn is affiliated with FIFA.

1.2 Sports Club Corinthians Paulista (the "Respondent") is a Brazilian football club affiliated with the Confederação Brasileira de Futebol (the "CBF"), which in turn is affiliated with FIFA.

2. FACTUAL BACKGROUND

2.1 The elements set out below are a summary of the main relevant facts, as established by the Panel on the basis of the decision rendered by the FIFA Dispute Resolution Chamber (the "FIFA DRC") on 29 September 2010 (the "Decision") in the case between the Appellant and the Respondent, the written submissions of the Parties and the exhibits filed. Additional facts may be set out, where relevant, in the legal considerations of the present award.

2.2 The Football season in Brazil follows the calendar year.

2.3 The Brazilian football player W. (the "Player"), was registered with the Respondent from 27 February 2002 until 22 May 2003 as a professional football player on a loan basis.

2.4 After a definitive transfer, the Player was registered with the Respondent from 23 May 2003 until 17 July 2005 and from 20 July 2006 until 1 February 2008 as a professional.

2.5 Between 17 July 2005 and 20 July 2006, the Player was loaned out to the Brazilian football club Paulista FC as a professional.

2.6 On 15 February 2008, the Player was registered with the Appellant as a professional. According to the FIGC, the Appellant belonged to Category I during the 2007/2008 season with respect to the calculation of training compensation if applicable.

2.7 On 7 July 2008, the Respondent lodged a complaint with FIFA against the Appellant, requesting its proportion of training compensation on the ground that the Player had been transferred internationally from the Respondent to the Appellant without any transfer compensation being paid. The Respondent requested payment of EUR 345,207.00 plus 5% interest p.a. as from 14 March 2008.

2.8 In its response the Appellant rejected the claim, arguing that the Player was transferred as a free player.

2.9 Furthermore, it was stated by the Appellant that training compensation is payable for training incurred up to the age of 21. When the Player was 21, he was employed by Paulista FC, which was the last club contributing to the training of the Player. Until his transfer to the Appellant at the age of 23, the Player was bound by his contract with the Respondent and, therefore, the Respondent did not contribute to the training of the Player.

2.10 To this statement, the Respondent replied that *"(the Player) was contractually bound by (the Respondent) for almost six years. Consequently, (the Respondent) is obviously and undeniably the club responsible for the most relevant portion of the player´s training and education period"*. Furthermore, it was replied that *"while the player was loaned to Paulista FC, the employment contract with (the Respondent) was suspended, but still valid. […] Therefore, (the Appellant) erroneously asserts that after the period the player was temporarily transferred to Paulista FC, he signed a new employment contract with (the Respondent)"*. Since the Respondent was the Player's former club before the transfer to the Appellant, and since the Player and the Respondent mutually agreed to terminate the employment contract between them, the Player was subsequently transferred to the Appellant.

2.11 In its duplica, the Appellant stated that it already paid EUR 274,600 to the Respondent in February 2008, that both Parties agreed on this amount and that the payment was intended to compensate for the mutual termination of the contract between the Respondent and the Player. Based on this agreement between the Appellant and the Respondent to compensate for the early termination of the contract, the Appellant asserted that no training compensation could be claimed by the Respondent.

2.12 Furthermore, the Appellant stressed that the training period of the Player ended before he attained the age of 21 since *"it is highly documented that by the age of 18 (year 2003) the player was already an established professional insomuch as he played as many as 15 official matches with (the Respondent's) first team, scoring 3 goals"*.

2.13 The Respondent replied that the amount of EUR 274,600.00 was paid by a company named Brod Island S.A. and not by the Appellant. In this respect, Brod Island S.A. made such payment on behalf of the company Asprosport Cartage S.L ("Asprosport"), which undertook the obligation to make such payment as compensation for the purchase of 100% of the

Player's economic rights. This agreement between the Respondent and Asprosport was concluded on 18 December 2007, and the Player was transferred in February 2008. Therefore, the Respondent stated that two separate transactions have been executed.

2.14 In its last position, the Appellant maintained its previous arguments. With regard to the payment of EUR 274,600.00 to the Respondent, the Appellant provided an agreement of 8 February 2008 signed by the Player and the Respondent, according to which an amount of USD 400,000.00 was to be paid by Asprosport on behalf of the player to the Respondent for the early termination of the employment contract.

2.15 Against the background of these circumstances, the FIFA DRC concluded as follows:

2.16 With reference to article 20 of the Regulations on the Status and Transfer of Players in combination with article 1 paragraph 1 of Annexe 4 and article 2 of Annexe 4 of the same regulations, training compensation is payable, as a general rule, for training incurred between the ages of 12 and 21, when the player concerned is registered for the first time as a professional, or when a professional is transferred between two clubs of two different associations before the end of the season of the player's 23rd birthday. As a consequence, a club is entitled to training compensation for the period during which the player has been registered with that club, which has consequently contributed to the player's training incurred from the season of his 12th birthday up to the season of his 21st birthday.

2.17 The FIFA DRC furthermore remarked that the entire period of time during which the Player was registered with the Respondent as well as with Paulista FC has to be considered as one entire period of time and that the loan to Paulista FC therefore cannot be considered to be a subsequent transfer, triggering the consequences stipulated in article 3 paragraph 1 of Annexe 4 of the above-mentioned regulations, and consequently preventing the Respondent from receiving training compensation for the period of time during which the Player was registered with it prior to the loan. In other words, it was declared that the obligation to pay training compensation arises in case a player is definitively transferred from one club to another, with the effect that the club which transferred the player on a loan basis to another club is entitled to training compensation for the period of time during which it effectively trained the player, but excluding the period of time of the loan to the other club.

2.18 As a result, and considering the views above as well as article 3 paragraph 1 of Annexe 4, which stipulates that the amount payable is calculated on a pro rata basis according to the period of training that the player spent with each club, the FIFA DRC concluded that the effective period of time to be considered in the present matter corresponds to 10 months of the 2002 season, the entire 2003 and 2004 seasons, 7 months of the 2005 season and 5 months of the 2006 season.

2.19 With regard to the alleged payment already made by the Appellant, the FIFA DRC concluded that the Appellant did not provide any evidence that it paid the said amount to the Respondent. Furthermore, the FIFA DRC considered that only a club can register a player and that a transfer of a player can consequently only take place between two clubs. In other

words, it was considered that a player cannot be transferred to a company and, therefore, that an amount paid by a company cannot be considered as a payment consisting in or including training compensation. Thus, the FIFA DRC concluded that the statement presented by the Appellant with regard to the above-described payment cannot be considered as a payment consisting in or including training compensation and that, consequently, the Appellant's assertions deriving therefrom were rejected.

2.20 The FIFA DRC then reverted to the Appellant's assertion in accordance with which the Respondent is not entitled to claim training compensation for the training of the Player up to the season of his 20th birthday, since the Player, considering his skills and records, has already finished his training at the age of 18, i.e. in 2003. Since any party claiming a right on the basis of an alleged right carries the burden of proof, the FIFA DRC considered that the Appellant's assertion, as mentioned above, was not corroborated by any substantial evidence establishing the reality of assertion and therefore had to be rejected.

2.21 Based on the above, the FIFA DRC decided as follows in its Decision:

"1. The claim of the Claimant, Sport Club Corinthians Paulista, is partially accepted.

2. The Respondent, Genoa CFC, has to pay to the Claimant, Sport Club Corinthians Paulista, the amount of EUR 345,000.00, as well as 5% interest per year on the said amount from 17 March 2008 until the date of the effective payment, within 30 days as from the date of notification of this decision.

3. If the aforementioned sum is not paid within the aforementioned deadline, the present matter shall be submitted upon the party´s request to FIFA´s Disciplinary Committee for consideration and a formal decision.

4. The final costs of the proceedings in the amount of CHF 15,000.00 are to be paid by the Respondent, Genoa CFC, within 30 days as from the notification of the present decision as follows:

4.1 The amount of CHF 10,000 has to be paid to FIFA to the following bank account with reference to case no. ….

4.2 The amount of CHF 5,000 has to be paid to the Claimant, Sport Club Corinthians Paulista.

5. Any further claims lodged by the Claimant, Sport Club Corinthians, are rejected.

6. The Claimant, Sport Club Corinthians, is directed to inform the Respondent, Genoa CFC, 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".

3. SUMMARY OF THE ARBITRAL PROCEEDINGS BEFORE THE CAS

3.1 On 1 September 2011, the Appellant filed a statement of appeal with CAS, challenging the Decision, which had been notified to the Appellant with its grounds on 17 August 2011.

3.2 On 16 September 2011, the Appellant filed its appeal brief.

3.3 On 17 October 2011, FIFA informed the CAS Court Office that it renounced its right to intervene in the present appeal procedure.

3.4 By letter of 27 October 2011, the Parties were informed by CAS that the Panel had been constituted as follows: Mr. Lars Hilliger, Attorney-at-law, Copenhagen, Denmark (President of the Panel), Mr. José Juan Pinto, Attorney-at-law, Barcelona, Spain (appointed by the Appellant) and Mr. Rui Botica Santos, Attorney-at-law, Lisbon, Portugal (appointed by the Respondent).

3.5 On 7 November 2011, the Respondent was informed by fax and by DHL that the deadline for filing its answer would be calculated from the receipt of that letter by fax.

3.6 On 28 November 2011, the Respondent filed its answer.

3.7 By letters of 7 December 2011, the Appellant informed the CAS Court Office that it "would like to request that a hearing be held in this matter". By a letter of the same date, the Respondent informed the CAS Court Office that it "does not see the necessity of a hearing to be held in connection therewith".

3.8 On 13 December 2011, the Parties were informed that the Panel had decided to hold a hearing in the present case.

3.9 On 20 February 2012, CAS forwarded the Order of Procedure to the Parties, which the Parties signed and returned to CAS.

4. HEARING

4.1 A hearing was held on 27 February 2012 at the CAS premises in Lausanne. All the members of the Panel were present. The Parties did not raise any objection as to the constitution and composition of the Panel.

4.2 The Appellant was represented at the hearing by Mr. Paolo Lombardi. The Respondent was represented at the hearing by Mr. Ivandro Sanchez and Mr. Ricardo Moreira.

4.3 No witness was called to testify. The Parties had ample opportunity to present their cases, submit their arguments and answer to the questions posed by the Panel. After the Parties' final submissions, the Panel closed the hearing and reserved its final award. The Panel heard carefully and took into account in its discussion and subsequent deliberation all the evidence and arguments presented by the Parties even if they have not been summarised in the present award. Upon closure, the Parties expressly stated that they did not have any objection in respect of their right to be heard and to be treated equally in these arbitration proceedings.

5. CAS JURISDICTION AND ADMISSIBILITY OF THE APPEAL

5.1 Article R47 of the Code states as follows: *"An appeal against the decision of a federation, association or sports-related body may be filed with the CAS insofar as the statutes or regulations of the said body so provide or as the parties have concluded a specific arbitration agreement and insofar as the Appellant has exhausted the legal remedies available to him prior to the appeal, in accordance with the statutes or regulations of the said sports-related body".*

5.2 With respect to the Decision, the jurisdiction of CAS derives from art. 62 and art. 63 of the FIFA Statutes. In addition, neither the Appellant nor the Respondent objected to the jurisdiction of CAS, and both Parties confirmed the CAS jurisdiction when signing the Order of Procedure.

5.3 The Decision with its grounds was notified to the Parties on 17 August 2011, and the Appellant's statement of appeal was lodged on 1 September 2011, i.e. within the statutory time limit set forth by the FIFA Statutes, which is not disputed. Furthermore, the statement of appeal complied with all other requirements of Article R48 of the Code.

5.4 It follows that CAS has jurisdiction to decide on the present appeal and that the appeal is admissible.

5.5 Under Article R57 of the Code, the Panel has full power to review the facts and the law and may issue a *de novo* decision superseding, entirely or partially, the appealed one.

6. APPLICABLE LAW

6.1 Article 62 par. 2 of the FIFA Statutes states as follows: *"The provisions of the CAS Code of Sports-Related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law".*

6.2 Article R58 of the Code states as follows: *"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".*

6.3 The Panel notes that in the present matter the Parties have not agreed on the application of any specific national law. The applicable law in this case will consequently be the regulations of FIFA and, additionally, Swiss law.

6.4 Since the player was registered with his new club on 15 February 2008, since the claim was lodged with FIFA on 7 July 2008 and with reference to article 26 paragraphs 1 and 2 of the Regulations on the Status and Transfer of Players (editions 2008 and 2009), the Panel confirmed that the 2008 edition of the Regulations on the Status and Transfer of Players (the **Regulations**) is applicable to the present case.

7. THE PARTIES' REQUESTS FOR RELIEF AND POSITIONS

7.1 The following outline of the Parties' positions is illustrative only and does not necessarily comprise every contention put forward by the Parties. The Panel, however, has carefully considered all the submissions and evidence filed by the Parties with CAS, even if there is no specific reference to those submissions or evidence in the following summary.

7.2 *The Appellant*

7.2.1 In its statement of appeal of 1 September 2011 and in its appeal brief of 16 September 2011, the Appellant requested the following from the CAS:

1) To review the case as to the facts and the law in compliance with R57 of the Code.

2) To issue a new decision that replaces the Decision in its entirety, also in regard to FIFA's procedural costs in the amount of CHF 15,000.00.

3) To ascertain that the Appellant had already paid transfer compensation to the Respondent, that such amount was comprehensive of training compensation and that nothing is therefore due to the Respondent.

4) Without prejudice to the previous request, and only in case it was decided that the amount of transfer compensation the Appellant paid to the Respondent does not include training compensation, *quod non*, to ascertain that the player's training period was already completed at the end of the 2002 season or, at the very latest, on 23 May 2003 – and the Respondent is therefore entitled to the maximum amount of training compensation corresponding to 10 months in the 2002 season, or 10 months in the 2002 season and 5 months in the 2003 season.

5) In any case to order the Respondent to bear all costs incurred in connection with the CAS proceedings.

6) In any case to order the Respondent to reimburse the Appellant for all legal expenses related to the CAS proceedings.

7.2.2 In its statement of appeal of 1 September 2011, in its appeal brief of 16 September 2011 and at the hearing, the Appellant furthermore submitted its position with regard to its requests for relief as follows:

a) It is undisputed that the Player was registered with the Respondent from 27 February 2002 until 22 May 2003 as a professional football player on a loan basis. After a definitive transfer, the Player was registered with the Respondent from 23 May 2003 until 17 July 2005 and from 20 July 2006 until 1 February 2008 as a professional. Between 17 July 2005 and 20 July 2006, the Player was loaned out to the Brazilian football club Paulista FC.

b) On 15 February 2008 the Player was registered with the Appellant as a professional. It is undisputed that the Appellant belonged to Category I during the season 2007/2008.

c) The Respondent is not entitled to receive any additional training compensation in connection with the Player´s transfer from the Respondent to the Appellant.

d) The Appellant states in that connection that the Respondent has already received appropriate training compensation as training compensation, in accordance with both FIFA and CAS jurisprudence, must be deemed to be included in the transfer compensation agreed by and paid between the parties.

e) On 1 February 2008, the Player informs the Respondent in writing that he wants to apply the clause in his employment contract which regulates the termination of the contract between the parties and the relevant compensation to be paid.

f) In this letter, the Player refers to the fact that such an amount had been agreed at USD 400,000.00 and that the equivalent in Euro is payable. More importantly, the Player declares that the termination in question is instrumental to his transfer to the Appellant.

g) On the same day, the CBF ascertains this termination by referring to it as having occurred *"by mutual agreement"*, in which connection the following is added to the official document *"To be transferred exclusively to Genoa affiliated to the Italian Football Federation"*.

h) As early as 16 January 2008, the Player and the Appellant had concluded their contract, which clearly indicates that there cannot be any doubt about the link between the termination and the transfer to the Appellant.

i) On 30 January and 1 February 2008, EUR 400,000.00 and EUR 200,000.00, respectively, were transferred from the Appellant to the company named Brod Island SA, both transfers clearly mentioning the transfer of the Player as the reason.

j) The company Brod Island SA had been indicated to Genoa as being the beneficiary of the majority of the Player's total transfer amount, part of which had to be remitted to the Respondent.

k) Accordingly, on 1 February 2008, an amount of EUR 274,650.00 was transferred from Brod Island SA to the Respondent, once again accompanied by a message mentioning the transfer of the Player. As the EUR/USD spot rate on 1 February 2008 was 1,4853, the amount paid by Brod Island SA corresponds to the USD 400,000.00 agreed between the Respondent and the Player for the contractual termination.

l) The reason why Brod Island SA evidently received a higher amount from the Appellant than indicated in the termination agreement between the Respondent and the Player is that the Respondent had apparently sold the Player's economic rights to a company called Asprosport, as stated by the Respondent during the FIFA proceedings.

m) In that connection, the Respondent has admitted to the receipt of EUR 274,650.00 from Brod Island SA, but maintains that this in fact was the price for the acquisition of the economic rights of the Player and not compensation for the contractual termination.

n) If this is correct, the Respondent should have lodged a claim with FIFA for unilateral breach of contract instead of claiming training compensation only.

o) To further substantiate the claim that USD 400,000.00 were paid to the Respondent for the Player's transfer, reference is made to the agreement concluded on 5 March 2008 between the Respondent and an agency called Top Sport.

p) In this agreement, Top Sport is represented by the CBF-licensed player's agent, Cati Fabiane Coqui, who also appears in that capacity in the contract of 16 January between the Appellant and the Player.

q) The first clause in the former agreement states that, due to the advice given within the scope of the Player's transfer to the Appellant, the Respondent undertakes to pay to Top Sport a commission in the amount of USD 30,000.00, *"equivalent to 7,5% of the value of the deal"*. The subsequent clause of this agreement also refers to the "transfer value" of the Player, indicating that the Player was actually transferred from the Respondent to the Appellant and that the price paid for his transfer was USD 400.000,00.

r) Given these circumstances, it is submitted that the amount of USD 400,000.00 agreed between the Respondent and the Player represents the transfer compensation paid by the Appellant to the Respondent, a payment made through the company Brod Island SA.

s) As this payment thus takes the form of a transfer compensation, it precludes the Respondent's entitlement to receive training compensation on top of this amount against the background of this transfer.

t) Based on the consistent jurisprudence of both FIFA and CAS, the legal position is clear: If in the scope of a player's transfer two parties conclude an agreement providing for their respective financial obligations, namely compensation, training compensation is regarded as being included in such compensation. If the parties wish to express an intention contrary to the conclusion set out above, i.e. training compensation being

due in addition to the agreed compensation, they need to mention it explicitly in their agreement.

u) In the present case, in which there is *strictu sensu* no transfer agreement between the Appellant and the Respondent, reference is instead made to the compensation clause of USD 400,000.00 included in the Player's letter of 1 February 2008 to the Respondent. This amount was agreed on the basis of the "buy-out-clause" in the Player's contract with the Respondent.

v) Previous CAS jurisprudence has established that these clauses are foreseen not only to cover any damages or loss to the club (such as training compensation if the club is entitled to receive such compensation) but also in the interests of business; a way of *"generating future income"*.

w) Against this background, the Appellant believes that the Respondent, when agreeing on this amount, found that the amount of USD 400,000.00 would be highly appropriate to compensate the club, having in mind all circumstances related to the Player with no limitations whatsoever, including training compensation.

x) By receiving the agreed USD 400,000.00, the Respondent must thus be deemed to have been financially compensated for the transfer of the Player, including any training compensation to which the Respondent may also have been entitled.

y) On account of the internal affairs of the Appellant, FIFA was never presented with evidence of this payment. If that had been the case, in the Appellant's opinion, FIFA would have decided otherwise than it did in its Decision pertaining to the obligation to pay training compensation.

z) Without prejudice to the arguments put forward above, it is submitted that the Player's training was already completed before the age of 18.

aa) The Player signed his first professional contract on 20 February 2002 when he was only 16 years old. Later that year he went on to sign with the Respondent, once again as a professional.

bb) Notwithstanding the fact that the Player already signed his first professional contract at the age of 16 is per se an indication of the calibre of the Player, it is the 2003 season which saw him rise as one of the Respondent's most valuable players. Hence, the Player played 13 matches and scored three goals at the age of 18.

cc) Moreover, the Player was selected to play for the U-19 Brazilian national team, which he represented in the 2003 Sendai Cup, playing all three matches and scoring two goals.

dd) With reference to CAS jurisprudence, it is submitted that the facts above merely suggest that the Player completed his training before the age of 18, especially in view of the scale, characteristics and level of the football he was playing at that time.

ee) The ultimate evidence showing that the Player had already completed his training by the time he reached the age of 18 is found in the Player's contract with the Respondent of 23 May 2003.

ff) Under this contract, the penalty clause in case of an international transfer was established at USD 3,000,000.00. Such an amount is only compatible with an established professional, whose football training has already been completed.

gg) In these circumstances, it is submitted that the point of termination of the Player's training period coincides with the end of the 2002 season or, at the very latest, with the signing of the contract with the Respondent on 23 May 2003, when the Player's transfer value was officially established at USD 3,000,000.00.

hh) Any amount of training compensation in favour of the Respondent which did not take the above into account should be regarded as disproportionate and therefore adjusted accordingly.

ii) The maximum amount of training compensation the Respondent should in all events have been entitled to request corresponds to 10 months in the 2002 season alone, or 10 months in the 2002 season and 5 months in the 2003 season.

7.3 *The Respondent*

7.3.1 In its answer of 28 November 2011, the Respondent presented the following requests for relief:

1) To fully maintain the Decision.

2) To recognise the Respondent's right to participate in the distribution of the training compensation for the Player in connection with his transfer to the Appellant.

3) To determine that the Appellant should proceed with the immediate payment of the amount of EUR 345,000.00 due to the Respondent by way of training compensation for the Player, with addition of interest at the rate of 5% per year as from 17 March 2008.

4) To order the Appellant to pay, in favour of the Respondent, all legal expenses incurred.

5) To order the Appellant to pay all costs derived from the proceeding before CAS.

7.3.2 In support of its requests for relief, the Respondent submitted as follows:

a) It is undisputed that the Player was registered with the Respondent from 27 February 2002 until 22 May 2003 as a professional football player on a loan basis. After a definitive transfer, the Player was registered with the Respondent from 23 May 2003 until 17 July 2005 and from 20 July 2006 until 1 February 2008 as a professional. Between 17 July 2005 and 20 July 2006, the Player was loaned out to the Brazilian football club Paulista FC.

b) On 15 February 2008 the Player was registered with the Appellant as a professional. It is undisputed that the Appellant belonged to Category I during the 2007/2008 season.

c) Pursuant to article 20 of the Regulations, combined with article 1 paragraph 1 and article 2 of Annexe 4 of the Regulations, training compensation is payable for training incurred in the period between the ages of 12 and 21 years and is due when a professional football player is transferred between clubs of two different associations before the end of the season of the player's 23rd birthday.

d) Due to the transfer of the Player to the Appellant at the end of his employment contract, training compensation should have been paid to the Respondent only for the period the Player was effectively trained by the Respondent.

e) In these circumstances, and without contesting FIFA's statement of relevant training periods (see paragraph 2.18 above), it is submitted that the Respondent is entitled to receive training compensation as established in the Decision.

f) The Respondent has at no time received such training compensation from the Appellant.

g) Actually, no financial compensation was ever paid by the Appellant to the Respondent in connection with the Player's registration with the Appellant.

h) It is therefore denied that the Respondent has received USD 400,000.00 from the Appellant.

i) On the other hand, the Respondent has received USD 400,000.00 from the company Asprosport, which payment was made in accordance with an agreement of December 2007 between the Respondent and this company, the effect of which was that Asprosport acquired the economic rights of the Player for the amount of USD 400,000.00.

j) This payment was made by the company Brod Island SA on behalf of Asprosport.

k) Under the above-mentioned agreement, the Respondent would transfer the Player to any club designated by Asprosport, "transfer" meaning asserting the issuing of the ITC.

l) Hence, this is a case of two separate transactions where the Respondent and Asprosport concluded an agreement in December 2007 on the economic rights of the Player, whereas the Player was transferred to the Appellant only in February 2008.

m) It is therefore clear that the amount of USD 400,000.00 was received from Asprosport through Brod Island SA under the agreement concluded with the Respondent in December 2007 and, consequently, has nothing to do with a payment of transfer compensation from the Appellant.

n) Neither Asprosport nor Brod Island SA pertains to organised football and does not operate under the auspices of FIFA, which is the reason why the amount paid by any of these companies could never be deemed a transfer fee and/or any amount equivalent to training compensation.

o) In addition, the amount paid by Brod Island SA is even lower than the amount claimed by the Respondent by way of training compensation.

p) Moreover, the Appellant affirms that it has made two different payments to the company Brod Island SA, but without proving that any of those payments were made in connection with the transfer of the Player.

q) Furthermore, it is denied that the agreement concluded between the Respondent and Top Sport presents evidence to show that the Appellant has paid transfer compensation to the Respondent.

r) On the other hand, this agreement solely relates to payment for former consultancy services provided to the Player on his career. In this connection, it should be borne in mind that this agreement was signed only after the Player had been registered with the Appellant.

s) In summary, it can be concluded that no payment of transfer compensation has been made from the Appellant to the Respondent and that training compensation consequently cannot be included in this. The Appellant is therefore still obligated to pay training compensation to the Respondent as determined by FIFA in the Decision.

t) Insofar as the question of the extent of the Player's training period is concerned, the Regulations suggest that the training and education period is placed between the ages of 12 and 21, yet with the possibility for a player to terminate his training and education period before the age of 21, which CAS has previously confirmed to be the case.

u) The question whether a player's training and education period must be deemed to have been completed before the age of 21 must, in the specific circumstances, be determined by a case-by-case analysis.

v) The Respondent disputes the allegation that the Player's training and education period was terminated at the end of the 2002 season or during the 2003 season.

w) The Respondent and the Player signed an employment contract valid from 23 May 2003 to 22 May 2007, which was later renewed until 30 June 2010. During the original contract period, the Player was loaned out to the Brazilian Club Paulista Futebol Clube for a period of one year. Paulista Futebol Clube plays in a lower division than the Respondent.

x) The purpose of this loan of the Player was to give him a higher possibility to play and gain experience, since the competition to play in his position was extremely high in the Respondent's squad.

y) The allegation that the Player was already an established player on the Respondent's team in 2003 is therefore disputed.

z) This is based on the fact that the Player only participated in 13 out of the Respondent's 38 matches during the 2003 season, starting almost every match as a substitute and playing the final minutes of the match to gain experience, since his training and education were not yet completed.

aa) With reference to CAS jurisprudence, it is further disputed that the calling of the Player to join the U-19 Brazilian national team presents evidence to show that the Player's training and education period can be regarded as terminated.

bb) In addition, the fact that the Player signed his first contract as a professional as early as 2002 cannot be of any evidential value for assessing when the training and education period can be assumed to be terminated. Similarly, no significant weight can be attached to the size of the agreed penalty clause.

cc) The reason is, firstly, that the Regulations do not distinguish between amateur and professional players in connection with the establishment of the training and education period.

dd) Secondly, due to their financial situation, there has been a tendency for the clubs to apply high penalty clauses for international transfers of their young players in order to avoid losing them to European clubs for small amounts of money.

ee) According to national law, the amount of the penalty clause can be freely agreed between the parties without any further requirement, which explains why such clause is not always directly connected to the actual value of the respective player.

ff) Hence, there is nothing whatsoever to indicate that the Player's training and education period terminated earlier than assumed by FIFA.

8. DISCUSSION ON THE MERITS

8.1 Initially, it is evidently undisputed between the Parties that the Player was registered with the Respondent from 27 February 2002 until 22 May 2003 as a professional football player on a loan basis. After a definitive transfer, the Player was registered with the Respondent from 23 May 2003 until 17 July 2005 and from 20 July 2006 until 1 February 2008 as a professional. Between 17 July 2005 and 20 July 2006, the Player was loaned out to the Brazilian football club Paulista FC.

8.2 On 15 February 2008, the Player was registered with the Appellant as a professional. It is undisputed that the Appellant belonged to Category I during the 2007/2008 season.

8.3 Thus, agreement on these matters exists prima facie between the Parties, which is something the Panel will subsequently take into account in its further consideration of the case.

8.4 The Panel notes in this connection that FIFA had been asked the question whether the fact that the Player was loaned out to Paulista FC in the period between 17 July 2005 and 20 July 2006 would have any impact on the Respondent's entitlement, if applicable, to receive training compensation for the Player.

8.5 It follows from article 20 of the Regulations that:

"Training compensation shall be paid to a player's training club(s): (1) when a player signs his first contract as a professional and (2) each time a professional is transferred until the end of the season of his 23th birthday. The obligation to pay training compensation arises whether the transfer takes place during or at the end of the player's contract".

8.6 It further follows from article 2 of Annexe 4 of the Regulations that:

"Training compensation is due when:

i) A player is registered for the first time as a professional; or

ii) A professional is transferred between clubs of two different associations (whether during or at the end of his contract) before the end of the season of his 23th birthday".

8.7 Moreover, it follows from article 3 of Annexe 4 of the Regulations that:

"On registration as a professional for the first time, the club with which the player is registered is responsible for paying compensation within 30 days of registration to every club with which the player has previously been registered (in accordance with the player's career history as provided in the player passport) and that has contributed to his training starting from the season of his 12th birthday. The amount payable as calculated on a pro rata basis according to the period of training that the player spent with each club. In the case of subsequent transfers of the professional, training compensation will only be owed to his former club for the time he was effectively trained by that club".

8.8 For the purpose of avoiding any uncertainty, the Panel would like to confirm the jurisprudence already established in the area, in accordance with which all clubs that have in actual fact contributed to the training of a player from the age of 12 are, in principle, entitled to training compensation for the time the player was effectively registered with them (CAS 2006/A/1029; CAS 2008/A/1705).

8.9 Furthermore, it is confirmed by the Panel that a training club is equally entitled to training compensation for the relevant period of time of training in which the player was registered with it as a consequence of a loan from another club, unless the loaning club can demonstrate that it bore the costs for the player's training for the duration of the loan (CAS 2008/A/1705).

8.10 In addition, the Panel agrees with FIFA's Decision establishing that the entire period of time during which the Player was registered with the Respondent as well as with Paulista FC has to be considered as one entire period of time and that the loan to the latter club therefore cannot be considered to be a subsequent transfer, triggering the consequences stipulated in article 3 paragraph 1 of Annexe 4 of the Regulations, and consequently preventing the Respondent from receiving training compensation for the period of time during which the Player was registered with it prior to the loan.

8.11 The Panel therefore states that the obligation to pay training compensation arises only in case a player is definitively transferred from one club to another, with the effect that the club which transferred the player on a loan basis to another club is entitled to training compensation for the period of time during which it effectively trained the player, but excluding the period of time of the loans to the others club.

8.12 Against this background, and since the Respondent's loan of the Player to Paulista FC does not constitute a definitive transfer, the Panel finds – and without having taken a final decision on the issues specified under paragraph 8.13 a) and b) below – that the Respondent, prima facie, is entitled to receive training compensation from the Appellant in connection with the Player's registration with the Appellant for the following periods: 10 months of the 2002 season, the entire 2003 and 2004 seasons, 7 months of the 2005 season and 5 months of the 2006 season, equivalent to a total of 46 months.

8.13 Thus, the main issues to be resolved by the Panel are:

a) Can training compensation be regarded as having already been paid by the Appellant to the Respondent?

and, if not,

b) For which period is the Appellant obligated to pay training compensation to the Respondent?

a) Can training compensation be regarded as having already been paid by the Appellant to the Respondent?

8.14 As mentioned under paragraph 7.3.2, the Appellant submits that an agreement was concluded between the Player and the Respondent on payment of transfer compensation of USD 400,000.00 in connection with the Player's transfer from the Respondent to the Appellant.

8.15 It is further submitted that the amount of EUR 274,650.00, equivalent to USD 400,000.00, which was indisputably received by the Respondent from the company Brod Island SA by way of transfer on 1 February 2008, was paid on behalf of the Appellant, constituting the transfer compensation agreed between the Respondent and the Player in connection with the Player's transfer.

8.16 The Appellant submits in that connection, for instance with reference to CAS jurisprudence (CAS 2004/A/785), that *"if in the scope of a player's transfer two parties conclude an agreement providing for their respective financial obligations, namely compensation, training compensation is regarded as being included in such compensation"*.

8.17 Given the undisputed fact in the present case that an agreement has been concluded between the Respondent and the Player on the latter's payment of USD 400,000.00 for termination of the employment contract, and given the fact that the Respondent has indisputably received this full amount, the Appellant submits that it must be concluded on the basis of the jurisprudence established in the area that the Respondent has already received payment of training compensation as such training compensation must be deemed to be included in the paid transfer compensation.

8.18 If the Respondent was under the impression that training compensation would be payable in addition to transfer compensation, it was the Respondent's obligation to take steps to ensure this, which has not been done.

8.19 As mentioned under paragraph 7.3.2 above, the Respondent completely denies having received any form of financial compensation, be it transfer compensation or training compensation, from the Appellant in connection with the Player's registration with the Appellant.

8.20 According to the Respondent the amount received, EUR 274,650.00, solely relates to payment for transfer of economic rights regarding the Player and has, as such, actually been received without any direct link to the Player's registration with the Appellant.

8.21 Initially, and with reference to for instance CAS 2004/A/785 and, therefore, in line with the Appellant's statements, the Panel makes clear that it has been established in accordance with current FIFA and CAS jurisprudence that *"if in the scope of a player's transfer two parties conclude an agreement providing for their respective financial obligations, namely compensation, training compensation is regarded as being included in such compensation"*. Following a similar reasoning, the panel in case CAS 2011/A/2455 also corroborated this understanding.

8.22 The Panel finds, however, that this specific situation is characterised by various circumstances that make this case different on facts compared to other cases where an agreement has typically been concluded between two clubs on payment of transfer compensation in connection with a player's transfer between the two clubs in question.

8.23 It has thus been mentioned, among other statements, that there is no direct link between the agreement on the transfer of the Player´s economic rights from the Respondent to the company Asprosport and the actual registration of the Player with the Appellant.

8.24 Furthermore, according to the information available to the Panel, no direct negotiations were conducted between the Appellant and the Respondent in connection with the Player's termination of his employment contract.

8.25 In addition, the factual circumstances of the case, including the circumstances of the payments made, have not been completely clarified to the Panel by the Parties to this case.

8.26 Although this, in the Respondent's opinion, is a case of termination by the Player of his employment contract with the Respondent and a subsequent registration of the Player with the Appellant, the Panel adheres to the view that the case nonetheless, in relation to the issue of payment of training compensation, deals with a transfer of the Player between the two clubs.

8.27 Thus, there have been one or more written agreements regulating the possibility for the Player's employment contract with the Respondent to be terminated on specified terms with a view to ensuring that the Player could continue his career with the Appellant immediately afterwards. Moreover, in its capacity as the Player's previous club, the Respondent has received an amount in connection with this transfer.

8.28 The Panel finds that to be capable of establishing a transfer of a player, it is not necessarily a precondition under all circumstances that the agreement or agreements concerning the Player have been concluded directly between the Player's previous club and the Player's new club.

8.29 The transfer in this specific case is therefore not, on this ground, excluded from the above-mentioned state of the law pertaining to training compensation as set out in the agreement and paid transfer compensation.

8.30 When it comes to the question of whether direct negotiations were conducted between the Parties prior to the transfer of the Player, the Panel has no grounds for assuming that this would have been the case and even lesser grounds for assuming that the Appellant and the Respondent would have reached agreement on the amount of any such transfer compensation to be paid to the Respondent.

8.31 Against the background of the foregoing, the Panel finds no grounds for concluding summarily that the specific situation directly falls within the jurisprudence established in the

area, according to which training compensation must be deemed to be included in the transfer compensation agreed between the clubs unless otherwise expressly agreed.

8.32 In the present situation, evidence has been produced to show that the Player, to the Respondent, has confirmed the existence of an agreement under which the Player's employment contract would be terminated against payment of USD 400,000.00 on behalf of the Player.

8.33 The Panel thus takes into account the fact that the Respondent, immediately afterwards, had expectations of receiving such an amount on behalf of the Player with a view to facilitating the transfer to the Appellant.

8.34 The question is accordingly whether this amount must be assumed to constitute payment of transfer compensation, including training compensation, to the Respondent and whether it can be assumed that such payment was made on behalf of the Appellant, which means that the Appellant must already be assumed to have paid the training compensation to the Respondent.

8.35 The Panel refers to the general legal principle of burden of proof, according to which any party claiming a right on the basis of an alleged fact must carry the burden of proof, proving that the alleged fact is as claimed.

8.36 The Panel notes that this is in line with article 8 of the Swiss Civil Code (**Swiss CC**), which stipulates as follows:

> *"Chaque partie doit, si la loi ne prescrit le contraire, prouver les faits qu'elle allègue pour en déduire son droit".*
>
> In free translation
>
> *"Each party must, if the law does not provide for the contrary, prove the facts it alleges to derive its right".*

As a result, the Panel reaffirms the principle established by CAS jurisprudence that *"in CAS arbitration, any party wishing to prevail on a disputed issue must discharge its burden of proof, i.e. it must meet the onus to substantiate its allegations and to affirmatively prove the facts on which it relies with respect to that issue. In other words, the party which asserts facts to support its rights has the burden of establishing them …. The Code sets forth an adversarial system of arbitral justice, rather than an inquisitorial one. Hence, if a party wishes to establish some facts and persuade the deciding body, it must actively substantiate its allegations with convincing evidence"* (cf. CAS 2003/A/506, para. 54; CAS 2009/A/1810 & 1811, para. 46 and CAS 2009/A/1975, para. 71ff).

8.37 Against the background of an examination of the material submitted to FIFA and during the appeal proceeding, the Panel finds that the Appellant has not been able to satisfy the burden of proof that the amount received by the Respondent, EUR 274,650.00, undoubtedly constitutes transfer compensation relating to the Player's transfer between the Parties. Nor

has the burden of proof been satisfied to show that the payment effected was actually made on behalf of the Appellant.

8.38 The Panel notes in that connection, in particular, that in relation to the payment made from Brod Island SA to the Respondent, it has not been documented, let alone rendered probable, that the Respondent had allegedly been informed, or at least should have suspected, that the payment, as stated by the Appellant, would be made on behalf of the Appellant.

8.39 The Panel notes in that connection that it is generally a debtor's obligation to ensure that its payment reaches the creditor and that the creditor knows or is informed of the identity of the payment sender. The last-mentioned obligation is of particular relevance when the creditor, as in this case, had a justified expectation of receiving a corresponding payment from/on behalf of a third party (the Player), which the Appellant knew from its knowledge of the Player's termination letter of 1 February 2008.

8.40 The Panel is of the opinion that the Appellant has not been able to satisfy the burden of proof that the payment was made on behalf of the Appellant, either originally in relation to the Respondent or subsequently in relation to the Panel.

8.41 Nor has the Appellant been capable of satisfying the burden of proof that the amount of USD 400,000.00 agreed between the Respondent and the Player constitutes transfer compensation to the Respondent as a result of the Player's transfer.

8.42 The Panel would like to emphasise that payment of an amount through a company does not in itself rule out the possibility that this could be payment of training compensation on behalf of a club, which means that it cannot specifically be precluded that such payment may include training compensation in accordance with current jurisprudence.

8.43 The burden of proof to show that this is the case in the present situation, however, has not been discharged.

8.44 The Panel therefore states that no training compensation may already be deemed to have been paid by the Appellant to the Respondent.

b) For which period is the Appellant obligated to pay training compensation to the Respondent?

8.45 It follows from article 1 of Annexe 4 of the Regulations that:

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

8.46 As already mentioned above, the contents of the Player's passport are undisputed, and it is also undisputed that the Appellant belonged to Category I during the 2007/2008 season. For clubs falling within this category, the amount for training compensation, unless otherwise documented, has been fixed at EUR 90,000.00 per full year, equivalent to EUR 7,500.00 per month all year round.

8.47 As stated under paragraph 5.3.2.z – gg above, the Appellant submits that the training period of the Player must be deemed to have been terminated at the close of the 2002 season or, alternatively, at the very latest on 23 May 2003 when the Player signed a professional contract with the Respondent, this time containing a penalty clause of USD 3,000,000.00. A training compensation amount to the Respondent, if applicable, must therefore be calculated on the basis of one of these periods alone.

8.48 Against this background, it is further submitted that any amount of training compensation calculated for a period ending after 23 May 2003 must be regarded as being disproportionate and must therefore be adjusted accordingly.

8.49 In response to that, the Respondent disputes the allegation that the training period was terminated at the end of the 2002 season or during the 2003 season. Thus, it is for instance disputed that the Player could be regarded as being an established player of the Respondent's team in the 2003 season.

8.50 Initially, the Panel states that the question whether the training period for a football player must be deemed to have been terminated before the age of 21 should, in the specific circumstances, be determined by a case-by-case analysis.

8.51 Then the Panel must emphasise, with reference to paragraphs 8.35 and 8.36 above and in accordance with CAS jurisprudence (CAS 2006/A/1029; CAS 2008/A/1705), that the burden of proof to demonstrate that the training was indeed concluded before the player reached the age of 21 lies with the Appellant.

8.52 As established by CAS (e.g. CAS 2008/A/1705), various factors are generally included in the assessment of whether a player's training period must be deemed to have been completed before the age of 21, including *"regular performance for a club's "A" team, the player's value for the club, reflected in the salary the player is paid, in the loan fee that is achieved for his services or in the value of the player's transfer, the player's public notoriety at national and international level, his position at the club if established as a regular or even holding the captaincy, his regular inclusion in the national team and so forth"*.

8.53 The Appellant states, with reference to CAS 2003/O/527 and CAS 2006/A/1029, that the fact that the Player in the 2003 season played 13 matches for the Appellant's "A" team scoring 3 goals, played three matches for the U-19 Brazilian national team scoring 2 goals, combined with for instance the high penalty clause in the Player's renewed employment contract of May 2003, is sufficient grounds for assuming that the Appellant has satisfied the burden of proof to show that the Player's training period was completed on or before 23 May 2003.

8.54 Against this, the Respondent refers to CAS jurisprudence, e.g. CAS 2007/A/1320-1321, which reads as follows: *"The evidence submitted only corroborates the fact that the Player was involved in a national team competition with players who were under 20 years old. Such competitions merely require the players to be under a certain age, not necessarily to be completely trained. Consequently, the said listings of the matches of the U-20 and U-23 do not give much information about the completeness of the Player's training education".*

8.55 The Panel considered a range of factors, including all the factors submitted by the Parties to assess and determine when the Player's training period must be deemed to have been terminated.

8.56 In this sense, the Panel notes that although the Player, during the 2003 season, indisputably played a not insignificant number of matches on the Appellant's "A" team and played for the national U-19 team, these circumstances are not per se sufficient in themselves to prove that the training period for the Player can be deemed to have been terminated on these grounds.

8.57 The Panel further notes that the fact that the Player already signed his first professional contract at the age of 16 and the inclusion of the penalty clause of USD 3,000,000.00 in the Player's employment contract of 23 March 2003 cannot, in the Panel's view, be of any decisive evidential value for assessing how far the Player has progressed in his training and education.

8.58 Thus, the Panel has the impression that there is a general tendency for talented young players to sign professional contracts at a very early stage of their budding careers, not least in an attempt by the clubs to secure a potential, financial gain afterwards in the event of a transfer to another club within the period of the contract. This is also, in the Panel's view, taken into consideration to a considerable extent when determining the amount of penalty clauses in the contracts in question, with the effect that the size of the amount specified in the clause presumably reflects the clubs' ambition to secure a financial gain for themselves much more than it reflects a thorough and constantly adequate assessment of the player's real, actual and, not least, expected value. The Panel notes in that connection that the Respondent, indeed, did not maintain this amount vis-à-vis the Player in connection with the Player's termination of the employment contract.

8.59 The Panel further notes that there is no indication that the Appellant has produced conclusive evidence to show that the Player was regarded as being an established regular player on the Respondent's "A" team in the 2002 and/or 2003 season.

8.60 In addition, the Panel finds no grounds for disregarding the Respondent's information that the loan of the Player in the period from 18 July 2005 until 19 July 2006 was intended *"to give the Player a higher possibility to play and gain experience".*

8.61 Given the fact that the Appellant has failed to produce evidence of for instance the alleged payment for this loan from the borrower, Paulista FC, in order to document Player's value as a player, the Panel is of the opinion that this loan to a club in a lower-ranking division was part of the continued training and education of the Player.

8.62 Against the background of the foregoing and the submissions of the Parties in general, the Panel finds that the Appellant has failed to satisfy the burden of proof sufficiently to show that the Player's training period was indeed concluded before the age of 21. The Panel considers the evidence produced by the Appellant as being insufficient to establish such a level of aptitude to set aside the general norm applicable to the calculation of training compensation, this being the duration from the age of 12 until the Player's 21th birthday.

8.63 In these circumstances of the case, the Panel agrees with the contents of FIFA's Decision, in which the Appellant is ordered to pay training compensation to the Respondent for the full duration of the Player's effective training period with this club, corresponding to 10 months of the 2002 season, the entire 2003 and 2004 seasons, 7 months of the 2005 season and 5 months of the 2006 season, equivalent to 46 months of EUR 7,500.00 each, a total amount of EUR 345,000.00. As the claim for interest is undisputed by the Parties, the amount must, in compliance with Swiss CO art. 104, and as decided by FIFA, carry interest at the rate of 5% per year as from 17 March 2008, until the date of effective payment.

9. SUMMARY

9.1 Based on the foregoing and after taking into consideration all evidence produced and all arguments made, the Panel thus finds that the Appellant is obligated to pay training compensation to the Respondent for a total period of 46 months as the Panel finds that no previous payment of training compensation from the Appellant to the Respondent for the Player has been made, either directly or indirectly.

9.2 The Appeal is therefore dismissed.

ON THESE GROUNDS

The Court of Arbitration for Sport rules:

1. The appeal filed on 16 September 2011 by Genoa Cricket FC S.p.A. against Sports Club Corinthians Paulista regarding the decision pronounced by the FIFA Dispute Resolution Chamber on 29 September 2010 is dismissed.

2. The decision of the FIFA Dispute Resolutions Chamber dated 29 September 2010 is upheld.

3. (…).

4. (…).

5. All further and other requests for relief are dismissed.