



Arbitration CAS 2018/A/5622 Londrina Esporte Clube v. Fédération Internationale de Football Association (FIFA), award of 7 August 2018

Panel: Mr Lars Hilliger (Denmark), President; Mr José Juan Pinto (Spain); Mr Petros Mavroidis (Greece)

Football

Transfer

Duty to discharge the burden of proof with regard to bankruptcy

Right of associations to impose sanctions

Predictability test

Respect of the principles of predictability and legality

Proportionality of sanctions

Margin of discretion for the imposition of a period of grace

Legality and proportionality of the enforcement system created by FIFA

1. It is up to the debtor club to discharge the burden of proof to establish that an order of a labour court which places this club under judicial administration, is equivalent to a declaration of bankruptcy, which can justify the application of Art. 107 of the FIFA Disciplinary Code, or to discharge the burden of proof to establish that the club, due to the judicial administration, in any other way is legally prevented from fulfilling its obligations.
2. According to the principle of the association's autonomy, under Swiss law, the right of associations to impose sanctions or disciplinary measures on clubs is not the exercise of a power delegated by the State, rather it is the expression of the freedom of associations and federations to regulate themselves.
3. There is indeed general consensus that certain contents of the principle of *nulla poena sine lege* are also applicable to disciplinary provisions and proceedings in the context of sports organisations. The CAS, in particular, has adopted certain contents of this principle with regard to disciplinary proceedings and regulations of sports organisations by establishing a so-called "predictability test". Disciplinary provisions and proceedings of FIFA must be considered to be in line with the principle of *nulla poena sine lege* if: (i) the relevant regulations and provisions emanate from duly authorised bodies; (ii) the relevant regulations and provisions have been adopted in constitutionally proper ways; (iii) the relevant regulations and provisions are not the product of an obscure process of accretion; (iv) the relevant regulations and provisions are not mutually qualifying or contradictory; (v) the relevant regulations and provisions are not able to be understood only on the basis of the *de facto* practice over the course of many years of a small group of insiders; and (vi) there is a clear connection between the incriminated behavior and the sanction imposed.

4. In order for the principle of predictability and legality to be respected, it is not necessary for the sanctioned stakeholder to know in advance the exact sanction that will be imposed. Such fundamental principles are satisfied whenever the disciplinary rules have been properly adopted, describe the infringement and provide, directly or by reference, for the relevant sanction. The fact that the competent body applying the FIFA Disciplinary Code has the discretion to adjust the sanction mentioned in the rules deemed applicable to the individual behavior of a player breaching such rules is not inconsistent with those principles. Furthermore, a decision cannot be required to contain an elaborate list of all deliberations made by the legal body when deciding on sanctions as long as the sanctions fall within an appropriate and predictable framework and it is possible to establish with sufficient certainty the considerations and deliberations providing the basis for the decision and the sanctions imposed.
5. The CAS shall amend a disciplinary decision of a FIFA judicial body only in cases in which it finds that the relevant FIFA judicial body exceeded the margin of discretion accorded to it by the principle of association autonomy, i.e. only in cases in which the FIFA judicial body concerned must be held to have acted arbitrarily. This is not the case if a CAS panel merely disagrees with a specific sanction, but only if the sanction concerned is to be considered as evidently and grossly disproportionate to the offence.
6. The FIFA Disciplinary Committee's margin of discretion refers not only to the imposition of the pertinent fines and points to be deducted, but also to the establishment of the conditions under which such sanctions are to be served. Undeniably, a final period of grace that the FIFA Disciplinary Committee may grant in accordance with Art. 64, par. 1(b), of the FIFA Disciplinary Code falls under such scope of discretion.
7. The wording of Art. 64 of the FIFA Disciplinary Code provides for a clear statutory basis and precisely reflects the principle of proportionality: a first decision may only include a fine and the deduction of points since it is the less severe and therefore proportionate sanction for a first infringement of the obligation to comply with a FIFA body decision. However, in case of continued failure to comply with the said decision, a more severe sanction must be possible (i.e. relegation to a lower division), in order to take account of the continued disrespect of the FIFA' judicial authority. The deduction of points is certainly not one of the most severe sanctions that the FIFA Disciplinary Committee can impose on its stakeholders, although sporting and financial consequences may arise from its implementation. However, those consequences can be avoided by paying the debt owed, given that the enforcement of the point deduction may only be requested once a final deadline has elapsed.

I. THE PARTIES

1. Londrina Esporte Clube (the “Club” or the “Appellant”) is a professional Brazilian football club affiliated with the Confederação Brasileira de Futebol (the “CBF”), which in turn is affiliated with the Fédération Internationale de Football Association.
2. The Fédération Internationale de Football Association (“FIFA” or the “Respondent”) is the world governing body of Football, whose headquarters are located in Zürich, Switzerland.

II. FACTUAL BACKGROUND

3. 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 Disciplinary Committee (the “FIFA DC”) on 10 November 2017 (the “Decision”), the written and oral submissions of the Parties and the evidence filed. Additional facts may be set out, where relevant, in the legal considerations of the present Award.
4. On 27 May 2011, the Cameroonian football club, Association Sportive Bebe Football Club (“ASB FC”), the Appellant and the player D. (the “Player”) concluded a transfer agreement for the transfer of the Player from ASB FC to the Appellant.
5. On 26 August 2015, ASB FC lodged a claim in front of FIFA against the Appellant for breach of contract, arguing that the Player was transferred on a definitive basis from the Appellant to the Brazilian football club Cruzeiro EC (“Cruzeiro”) on 19 June 2015.
6. In view of the foregoing, ASB FC requested the payment of 30% of the transfer fee paid by Cruzeiro to the Appellant, plus interest and other costs as well as damages in the amount of EUR 30,000.
7. On 27 July 2016, the Single Judge of the Players’ Status Committee decided as follows (the “PSC Decision”):
 - “1. The claim of [ASB FC] is partially accepted.
 2. [The Appellant] has to pay to [ASB FC], within 30 days as from the date of notification of this decision, the amount of 750,000 Brazilian Real.
 3. If the aforementioned sum is not paid within the stated time limit, interest at a rate of 5% p.a. will fall due as of expiry of the stipulated time limit and the present matter shall be submitted, upon request, to FIFA’s Disciplinary Committee for consideration and a formal decision.
 4. Any further claim lodged by [ASB FC] is rejected.
 5. The final costs of the proceedings in the amount of CHF 18,000 are to be paid by [the Appellant] within 30 days as from the date of notification of the present decision as follows:
 - 5.1 The amount of CHF 13,000 has to be paid to FIFA [...].
 - 5.2 The amount of CHF 5,000 has to be paid directly to [ABS FC].

[...]

8. By letter of 7 August 2017 from FIFA, and following a request from ASB FC, the Appellant was informed, *inter alia*, as follows:

“[...] In this respect, we kindly call [the Appellant’s] attention to [ASB FC’s] correspondence herewith enclosed, according to which [the Appellant] has apparently still not complied with its obligations as established in point III.2 and III.5.2 of the grounds of the PSC Decision.

As a result, we kindly ask [the Appellant] to immediately pay the relevant amounts to ASB FC.

Equally, we kindly ask [the Appellant] to immediately pay the relevant procedural costs to FIFA accounting to CHF 13,000 [...].

Therefore, we kindly ask [the Appellant] to provide our services with a copy of the payment receipts of the relevant amounts until 17 August 2017 at the latest.

In case [the Appellant] does not provide proof of payment within the abovementioned time frame, we will proceed to forward the entire file to the Disciplinary Committee”.

9. On 22 August 2017, and without receipt of any payments or other reaction from the Appellant, the Appellant was informed by FIFA that the file was now being forwarded to the FIFA Disciplinary Committee for consideration and a formal decision.

10. On 18 October 2017, the Deputy Secretary of the FIFA DC wrote to the CBF to inform the confederation that the Appellant had not acted in accordance with the PSC Decision, stating, *inter alia*, as follows:

“[...] Should [the Appellant] pay all the outstanding amounts by 1 November 2017 at the latest and send us copies of proof of payments by the same deadline, the case will not be submitted to a member of the FIFA Disciplinary Committee and the disciplinary proceedings will be closed.

Should [the Appellant] fail to submit a statement or pay the outstanding amounts by the specified deadline, this matter will be submitted to a member of the FIFA Disciplinary Committee for consideration and a formal decision, within the next weeks as of the expiry of the aforementioned time limit. The decision will be passed on the file in its possession (cf. art. 110 par 4 FDC).

[...]

[The CBF] is kindly requested to forward this letter to [the Appellant] immediately”.

11. On 10 November 2017, the FIFA DC rendered the Decision and decided, in particular, that:

1. *[The Club] is pronounced guilty in failing to comply with the decision passed by the Single Judge of the Players’ Status Committee on 27 July 2016 and is, therefore, in violation of art 64 of the FIFA Disciplinary Code.*

2. *[The Club] is ordered to pay a fine to the amount of CHF 15.000. The fine is to be paid within 30 days of notification of the present decision. [...].*
3. *[The Club] is granted a final period of grace of 30 days as from the notification of the present decision in which to settle its debt to the creditors, the club Associação Sportive Bebe Football Club and FIFA.*
4. *If payment is not made by this deadline, the creditor may demand in writing from the secretariat to the FIFA Disciplinary Committee that six (6) points be deducted from the debtor's first team in the domestic league championship. Once the creditor has filed his request, the points will be deducted automatically without a further formal decision having to be taken by the FIFA Disciplinary Committee. The order to implement the points deduction will be issued on the association concerned by the secretariat to the FIFA Disciplinary Committee.*
5. *If [the Club] still fails to pay the amount due even after the deduction of points in accordance with point iii./4 above, the FIFA Disciplinary Committee will decide on a possible relegation of the debtor's first team to the next lower division.*
6. *As a member of FIFA, [the CBF] is reminded of its duty to implement this decision and, if so requested, provide FIFA with proof that the points have been deducted. If [the CBF] does not comply with this decision despite being ordered to do so, the FIFA Disciplinary Committee will decide on appropriate sanctions on the member, this can lead to the expulsion from all FIFA competitions.*
7. *The costs of these proceedings amounting to CHF 2,000 are to be borne by [the Club] and shall be paid according to the modalities stipulated under point iii./2 above.*
8. *[...]*".

III. SUMMARY OF THE ARBITRAL PROCEEDINGS BEFORE THE CAS

12. On 12 March 2018, the Appellant filed its Statement of Appeal in accordance with Articles R47 and R48 of the CAS Code of Sports-related Arbitration (the "CAS Code") against the Decision rendered by the FIFA Disciplinary Committee (the "FIFA DC") on 10 November 2017.
13. By letter of 22 March 2018 from the Deputy Secretary of the FIFA DC, the Appellant and ASB FC were informed, *inter alia*, as follows:

"[...] we hereby inform you that the execution of the abovementioned decision of the member of the Disciplinary Committee is suspended for the duration of the proceedings before CAS. [...]"
14. On 29 March 2018, the Appellant filed its Appeal Brief in accordance with Article R51 of the CAS Code.

15. By letter dated 23 April 2018, in accordance with Article R54 of the CAS Code, the Parties were informed by the CAS Court Office that the Panel had been constituted as follows: Mr Lars Hilliger, attorney-at-law in Copenhagen, Denmark (President of the Panel), Mr José Juan Pinto, attorney-at-law in Barcelona, Spain (nominated by the Appellant), and Mr Petros C. Mavroidis, Professor at Law in Commugny, Switzerland (nominated by the Respondent).
16. On 30 April 2018, the Respondent filed its Answer in accordance with Article R55 of the CAS Code.
17. By letter of 14 May 2018, the CAS Court Office informed the Parties that, pursuant to Articles R44.2 and R57 of the CAS Code, the Panel had decided to hold a hearing in this matter.
18. The Appellant and the Respondent both duly signed and returned the Order of Procedure.
19. On 13 June 2018, a hearing was held in Lausanne, Switzerland.
20. In addition to the Panel, Mr José Luis Andrade, counsel to the CAS, Mr Mikhail Kartuzov, legal intern with Mr Pinto, and the following persons attended the hearing:

For the Appellant:
 - Mr André Oliveira de Meira Ribeiro, attorney-at-law in São Paulo, Brazil
 - Mr Ciro Tavares, interpreter
For the Respondent:
 - Mr Julien Deux and Mr Elias Smahi, legal counsels in the FIFA Disciplinary Department.
21. Ms Mayara Suzuki, in-house lawyer with the Appellant, was heard as a witness over the telephone. Ms Suzuki gave testimony duly invited by the Panel to tell the truth subject to the sanctions of perjury under Swiss law. The Parties and the Panel had the opportunity to examine and cross-examine the witness.
22. At the outset of the hearing, the Parties confirmed that they had no objections to the constitution of the Panel.
23. The Parties were afforded ample opportunity to present their case, submit their arguments and answer the questions posed by the Panel. After the Parties' final submissions, the Panel closed the hearing and reserved its final award. The Panel took into account in its subsequent deliberations all the evidence and arguments presented by the Parties although they may have not been expressly summarised in the present Award.
24. Upon the closure of the hearing, the Parties expressly stated that they had no objections in respect of their right to be heard and to have been treated equally and fairly in these arbitration proceedings.

IV. THE PARTIES' REQUESTS FOR RELIEF AND POSITIONS

25. The following outline of the Parties' requests for relief and 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 the CAS, even if there is no specific reference to those submissions or evidence in the following summary.

A. The Appellant

26. In its Appeal Brief, the Appellant requested the following from the CAS:

"FIRST – To confirm that the Appealed Decision is null;

SECOND – To confirm that the Appellant is under intervention based upon the applicable Brazilian law and as such, FIFA nor CBF have no jurisdiction to enforce the Appealed Decision.

THIRD – To order the Respondent to pay all arbitration costs and be ordered to reimburse the Appellant the minimum CAS Court office fee of CHF 1,000 and any other advance of costs (if applicable) paid to the CAS.

FOURTH – To order the Respondent to pay to the Appellant any contribution towards the legal and other costs incurred and regarding the ongoing proceedings in the amount to be duly established at discretion of the Panel.

Alternatively and only in the event the above is rejected:

FIFTH – To amend the Appealed Decision as follows:

- 1. (...).*
- 2. [The Club] is ordered to pay a fine to the amount of CHF 2.250. The fine is to be paid within 90 days of notification of the present decision. Payment can be made either in Swiss francs (CHF) to account no. [...].*
- 3. (...).*
- 4. If the payment is not made by this deadline, the creditor may demand in writing from the secretariat to the FIFA Disciplinary Committee that a ban from transferring players during 6 months will be applied. Once the creditor has filed his request, the debtor will be automatically banned without a further formal decision having to be taken by the FIFA Disciplinary Committee. The order to implement the transfer ban will be issued on the association concerned by the secretariat to the FIFA Disciplinary Committee; and*
- 5. If [the Club] still fails to pay the amount due even after the aforementioned transfer ban, the FIFA Disciplinary Committee will decide on a possible deduction of points from the debtor's first team in the domestic league championship;*

6. *If [the Club] still fails to pay the amount due even after deduction of the points in accordance with III./4 above, the FIFA Disciplinary Committee will decide on a possible relegation of the debtor's first team to the next lower division.*
7. *As a member of FIFA, [the CBF] is reminded of its duty to implement this decision and, if so requested, provide FIFA with proof that the points have been deducted. If [the CBF] does not comply with this decision despite being ordered to do so, the FIFA Disciplinary Committee will decide on appropriate sanctions on the member, this can lead to the expulsion from all FIFA competitions.*
8. *The costs of these proceedings amounting to CHF 2,000 are to be borne by [the Club] and shall be paid according to the modalities stipulated under point iii./2 above.*
9. *The creditor is directed to notify the secretariat to the FIFA disciplinary Committee of every payment received.*

SIXTH – To order the Respondent to pay all arbitration costs and be ordered to reimburse the Appellant the minimum CAS Court office fee of CHF 1,000 and any other advance of costs (if applicable) paid to the CAS; and

SEVENTH – To order the Respondent to pay to the Appellant any contribution towards the legal and other costs incurred and regarding the ongoing proceedings in the amount to be duly established at discretion of the Panel.

Alternatively and only in the event the above is rejected:

EIGHT – To amend the Appealed Decision as follows:

1. (...).
2. *[The Club] is ordered to pay a fine to the amount of CHF 2.250. The fine is to be paid within 90 days of notification of the present decision. Payment can be made either in Swiss francs (CHF) to account no. [...].*
3. (...).
4. *If the payment is not made by this deadline, the creditor may demand in writing from the secretariat to the FIFA Disciplinary Committee that Committee that one (1) point be deducted from the debtor's first team in the domestic league championship. Once the creditor has filed his request, the point will be deducted automatically without a further formal decision having to be taken by the FIFA Disciplinary Committee. The order to implement the transfer ban will be issued on the association concerned by the secretariat to the FIFA Disciplinary Committee; and*
5. (...).
6. (...).
7. (...).
8. (...).

NINTH – *To order the Respondent to pay all arbitration costs and be ordered to reimburse the Appellant the minimum CAS Court office fee of CHF 1,000 and any other advance of costs (if applicable) paid to the CAS; and*

TENTH – *To order the Respondent to pay to the Appellant any contribution towards the legal and other costs incurred and regarding the ongoing proceedings in the amount to be duly established at discretion of the Panel”.*

27. In support of its requests for relief, the Appellant submitted as follows:

- Pursuant to Art. 107 of the FIFA Disciplinary Code, proceedings may be closed if, e.g., a party declares bankruptcy.
- Thus, the FIFA Disciplinary Committee has the possibility to close a proceeding whenever a party is somehow involved in insolvency proceedings.
- As such, orders from national courts become significant in order for the FIFA Disciplinary Committee to establish the status of such proceedings against such club.
- Furthermore, and in line with Art. 166 of the Swiss PILA, a bankruptcy decree issued by a competent national authority must be recognised in Switzerland subject to certain further requirements.
- By order of 27 October 2006, the Labour Court of Londrina decided to place the Appellant under the administration of a judicial administrator, who from that moment assumed the obligation to supervise the assets of the Appellant (the “Labour Court Order”).
- It follows from the said order from the Labour Court of Londrina that, *inter alia*, “It’s now set forth that, from this moment on, no administrative act of the [Appellant] shall be performed without this administrator’s authorization, who will be vested with authority, also to administrate current accounts and any other financial availabilities of the [Appellant]”. Furthermore, the judicial administrator needs the authorisation from a professional judge to make any payment on behalf of the Appellant.
- As such, the Decision is to be considered null and void due to the fact that the Appellant was under insolvency proceedings when the matter was decided upon by the FIFA Disciplinary Committee.
- Furthermore, the Appellant was in any case not in a legal position to pay the amounts due without the prior formal confirmation from the judicial administrator, which has not yet been obtained by the Appellant.

- As the Appellant is prohibited from dealing with or disposing of its assets, it is not possible to attribute any fault to the Appellant in connection with the non-payment, and therefore no sanction should be imposed on the Appellant.
- In any case, assuming, but not admitting, that the FIFA Disciplinary Committee was in a position to render the Decision regardless of the fact that the Appellant was, and still is, under administration, the Committee failed to take into consideration mandatory principles set out in the FIFA Disciplinary Code and, in particular, Swiss law.
- FIFA is under a legal obligation to comply with its own Statutes and is not entitled to render decisions which eventually disrespect its own regulations.
- It follows from Art. 94 of the FIFA Disciplinary Code, that, *inter alia*, the Parties to a case before FIFA are entitled to “*obtain a reasoned decision*” which, pursuant to Art. 115, par. 1, of the same Code, *inter alia*, means that the decision must contain “*the grounds of the decision*”.
- FIFA cannot impose sanctions without a proper legal regulatory basis, which also includes the need of predictability of the sanctions imposed.
- Art. 64 of the FIFA Disciplinary Code contains a very wide range of sanctions to be imposed on a party found guilty in failing to fulfil its payment obligations, and the Appellant accepts the discretion of the Disciplinary Committee to decide within this range.
- It is undisputed that the rules and regulations of FIFA does not establish within a clear manner the criteria to be taken into account by the members of, e.g., the Disciplinary Committee when imposing a fine on a party.
- In the Decision, the main criteria referred to in order to decide on the sanctions were (i) the circumstances of the matter at hand, (ii) the amount owed by the Appellant and (iii) the Committee’s so-called established practice.
- However, it is not possible to affirm beyond a reasonable doubt whether the elements used by the Disciplinary Committee as a main basis for the imposition of the sanctions on the Appellant are in accordance with the rules.
- For example, the Decision does not include information regarding any specific circumstance which was taken into consideration by the Committee.
- Furthermore, it seems as if the Disciplinary Committee aimed at creating a proportionality principle based on the amount owed, however there are no rules for the basis of such comparison, and it must be therefore be assumed that the Committee used a criterion which was never mentioned in the Decision.

- By not rendering a decision with the necessary grounds and within a predictable manner, the Disciplinary Committee violated mandatory rules set out in the FIFA Statutes and the FIFA Disciplinary Code, as well as principles of Swiss law.
- Furthermore, it follows from Art. 64, par 3, of the FIFA Disciplinary Code that “*if points are deducted, they shall be proportionate to the amount owed*”.
- According to the Decision, the deduction of points was based on the “*Committee’s well-established practice*”, however, the Committee failed to provide any clear definition of such practice.
- Furthermore, the general practice of the Disciplinary Committee is not available to the public.
- With reference to other decisions of the Disciplinary Committee, the deduction of six points in this case clearly ignores any premise of proportionality and has no legal grounds whatsoever.
- Also with regard to the period of grace, the Disciplinary Committee failed to provide any commentary and grounds in the Decision with regard to setting the period of grace to only 30 days, and the Committee furthermore failed to take into consideration the “*exceptional circumstances*” caused by the judicial administration of the Appellant.

B. The Respondent

28. In its Answer, the Respondent requested the CAS:

1. *To reject the Appellant’s appeal in its entirety.*
2. *To conform [the Decision] hereby appealed against.*
3. *To order the Appellant to bear all the costs and to cover all legal expenses related to the present consideration”.*

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

- First of all, the Decision is to be considered valid even if the Appellant was, and still is, under judicial administration.
- The alleged judicial administration was never brought to the attention of FIFA prior to these appeals proceedings and was raised by the Appellant for the first time in its Appeal Brief.

- However, even if FIFA would have been aware of the judicial administration prior to the rendering of the Decision, this would not have impacted the Decision since the Disciplinary Committee would still have been in a position to render the Decision.
- The burden of proving the existence of an alleged fact rests on the person who derives rights from that fact, and in the matter at hand the Appellant has in no way objectively demonstrated that it was legally impeded from paying the amount owed.
- Furthermore, it must be stressed that being under the supervision of a judicial administrator is not equivalent to a declaration of bankruptcy, and the Appellant consequently cannot legitimately rely on Art. 107(b) of the FIFA Disciplinary Code to argue that the Decision is invalid.
- Any party that wishes to rely on foreign law must demonstrate its applicability, which the Appellant failed to do since the Labour Court Order of 27 October 2006 merely states that before doing an administrative act, the authorisation of the judicial administrator is required. This is not the same as preventing the Appellant from settling its debts with its creditors.
- In addition, it must be noted that the agreements leading to the present proceedings were both concluded after the Appellant had been placed under judicial administration and that a club has the duty to be aware of its actual financial strength and, thus, may only enter into agreements that can be fulfilled in accordance with the principle of *pacta sunt servanda*.
- Any financial difficulties of the Appellant is not a justification for its failure to pay its debts, and the Appellant can by no means rely on the intervention of the judicial administrator to justify its failure to comply with its contractual obligations, especially considering the fact that the judicial intervention predates the conclusion of the relevant agreements.
- With regard to the Appellant's submission regarding the procedure's alleged non-compliance with the "predictable test", it must be noted that the CAS considers disciplinary provisions and proceedings of sports organisations to be in line with the principle of *nulla poena sine lege* if:
 - a) The relevant regulations and provisions emanate from duly authorised bodies;
 - b) The relevant regulations and provisions have been adopted in constitutionally proper ways;
 - c) The relevant regulations and provisions are not the product of an obscure process of accretion;
 - d) The relevant regulations and provisions are not mutually qualifying or contradictory,
 - e) The relevant regulations and provisions are not able to be understood only on the basis of the de facto practice over the course of any years of a small group of insiders; and

- f) There is a clear connection between the incriminated behaviour and the sanction imposed.
- As points a-d above were never contested by the Appellant, and since it must be considered that it was clear to the Appellant that not fulfilling its financial obligations towards ASB FC was wrong, that it was breaching the disciplinary regulations and that a sanction would therefore be imposed, all the points set out above have been met in the present case.
 - Furthermore, it must be stressed that in order for the principles of predictability and legality to be respected, it is not necessary for the sanctioned stakeholder to know in advance the exact sanction that will be imposed.
 - In view of the above, it is clear that the Disciplinary Committee did not violate the FIFA Statutes, the FIFA Disciplinary Code nor any provisions of Swiss law since the system and procedure concerning the application of Art. 64 of the Disciplinary Code is solid and lawful.
 - With regard to the sanction imposed on the Appellant, it must be recalled that anyone who fails to pay another person or a club or FIFA a sum of money in full or part, even though instructed to do so, will be sanctioned in accordance with Art. 64, par. 1, of the FIFA Disciplinary Code.
 - The spirit of the said article is to enforce decisions comparable to judgments that have been rendered by a body of FIFA or by the CAS, and the possible sanctions stipulated in the article are designed to put the debtor under pressure to finally comply with the decision. Nonetheless, proceedings under Art. 64, par. 1, are to be considered not as enforcement but rather as the imposition of a sanction for breach of an association's regulations and under the terms of association law.
 - Furthermore, it must be stressed that the FIFA Disciplinary Committee is not allowed to analyse a case decided by the relevant body as to substance, but has been assigned with the sole task of analysing whether the debtor complied with the final and binding decision of the relevant body.
 - In this case, it is clear and uncontested that the Appellant was ordered by a final and binding decision of the Players' Status Committee to pay a sum of money to the ASB FC and FIFA and that the Appellant has not made such payment, not even partially, and it is also uncontested the Appellant failed to enter into any payment plan regarding the said payment obligation. In these circumstances, the Appellant is in breach of Art. 64 of the FIFA Disciplinary Code.
 - The fact that the Appellant is under judicial administration does not constitute any exceptional circumstances, which should be taken into consideration when analysing the non-payment by the Appellant.

- Furthermore, the sanctions imposed on the Appellant, including the potential point deduction, as well as the period of grace are proportionate compared to the outstanding amount owed by the Appellant and are in line with the longstanding jurisprudence of the FIFA Disciplinary Committee, which has been repeatedly confirmed by the CAS.
- In line with CAS jurisprudence, a fine imposed on a club which is equal to fines imposed on other clubs for very similar violations cannot be considered disproportionate.
- Furthermore, and in any event, the CAS must only amend a disciplinary decision of a FIFA judicial body in cases in which it finds that the relevant body exceeded the margin of discretion accorded to it by the principle of association autonomy.

V. CAS JURISDICTION AND ADMISSIBILITY OF THE APPEAL

30. In accordance with the Swiss Private International Law Act (Article 186), the CAS has power to decide upon its own jurisdiction.
31. Article R47 of the CAS Code states as follows: *“An appeal against the decision of a federation, association or sports-related body may be filed with the CAS if the statutes or regulations of the said body so provide or if the parties have concluded a specific arbitration agreement and if the Appellant has exhausted the legal remedies available to him prior to the appeal, in accordance with the statutes or regulations of that body”*.
32. With respect to the Decision, the jurisdiction of the CAS derives from Article 58 of the FIFA Statutes and Article 64 of the FIFA Disciplinary Code. In addition, neither the Appellant nor the Respondent objected to the jurisdiction of the CAS, and both Parties confirmed the CAS jurisdiction when signing the Order of Procedure.
33. It follows that the CAS has jurisdiction to decide on the appeal of the Decision.
34. The grounds of the Decision were notified to the Appellant on 19 February 2018, and the Appellant’s Statement of Appeal was lodged on 12 March 2018, *i.e.* within the statutory time limit of 21 days set forth in Article R49 of the CAS Code, which is not disputed. Furthermore, the Statement of Appeal and the Appeal Brief complied with all the requirements of Articles R48 and R51 of the CAS Code.
35. It follows that the CAS has jurisdiction to decide on the Appeal and that the Appeal is admissible.

VI. APPLICABLE LAW

36. Article R58 of the CAS Code states as follows: *“The Panel shall decide the dispute according to the applicable regulations and, subsidiarily, to the rules of law chosen by the parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which has*

issued the challenged decision is domiciled or according to the rules of law the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision”.

37. The Parties agree that the applicable regulations in these proceedings for the purpose of Article R58 of the CAS Code are the rules and regulations of FIFA and, additionally, Swiss law since the present appeal is directed against a decision issued by the FIFA DC applying the rules and regulations of the same.
38. Based on the above, and with reference to the Parties’ submissions, the Panel is satisfied to accept the application of the various regulations of FIFA and, additionally, Swiss law.

VII. MERITS

39. Initially, the Panel notes that the PSC Decision of 27 July 2016 is uncontested by the Parties, according to which, *inter alia*:
- The Appellant has to pay to ASB FC, within 30 days as from the date of notification of this decision, the amount of 750,000 Brazilian Real.
 - If the aforementioned sum is not paid within the stated time limit, interest at a rate of 5% p.a. will fall due as of the expiry of the stipulated time limit, and the present matter shall be submitted, upon request, to FIFA’s Disciplinary Committee for consideration and a formal decision.
 - The final costs of the proceedings in the amount of CHF 18,000 are to be paid by the Appellant within 30 days as from the date of notification of the present decision as follows:
 - The amount of CHF 13,000 has to be paid to FIFA.
 - The amount of CHF 5,000 has to be paid directly to ABS FC.
40. It is further uncontested that the Appellant never paid any of these amounts, either in full or in part, and it is also uncontested that the Appellant failed to enter into a payment plan with ASB FC.
41. Based on that the foregoing, on 10 November 2017, the FIFA DC rendered its Decision as follows (main points):
- “1. *[The Club] is pronounced guilty in failing to comply with the decision passed by the Single Judge of the Players’ Status Committee on 27 July 2016 and is, therefore, in violation of art 64 of the FIFA Disciplinary Code.*
 2. *[The Club] is ordered to pay a fine to the amount of CHF 15.000. The fine is to be paid within 30 days of notification of the present decision. [...].*

3. *[The Club] is granted a final period of grace of 30 days as from the notification of the present decision in which to settle its debt to the creditors, the club Associação Sportive Bebe Football Club and FIFA.*
 4. *If payment is not made by this deadline, the creditor may demand in writing from the secretariat to the FIFA Disciplinary Committee that six (6) points be deducted from the debtor's first team in the domestic league championship. Once the creditor has filed his request, the points will be deducted automatically without a further formal decision having to be taken by the FIFA Disciplinary Committee. The order to implement the points deduction will be issued on the association concerned by the secretariat to the FIFA Disciplinary Committee.*
 5. *If [the Club] still fails to pay the amount due even after the deduction of points in accordance with point iii./4 above, the FIFA Disciplinary Committee will decide on a possible relegation of the debtor's first team to the next lower division.*
 6. *As a member of FIFA, [the CBF] is reminded of its duty to implement this decision and, if so requested, provide FIFA with proof that the points have been deducted. If [the CBF] does not comply with this decision despite being ordered to do so, the FIFA Disciplinary Committee will decide on appropriate sanctions on the member, this can lead to the expulsion from all FIFA competitions.*
 7. *The costs of these proceedings amounting to CHF 2,000 are to be borne by [the Club] and shall be paid according to the modalities stipulated under point iii./2 above”.*
42. In relation to this, at dispute over a number of issues has been raised by the Parties. In essence, the Appellant submits that the Decision is to be declared null and void due to the fact that the Appellant was under insolvency proceedings when the matter was decided upon by the FIFA DC.
43. Furthermore, and in any case, the FIFA DC failed to take into consideration mandatory principles set out in the FIFA Disciplinary Code and, in particular, Swiss law, and the FIFA DC also failed to take into consideration the exceptional circumstances of this case, which led to the imposition of disproportional sanctions on the Appellant.
44. Thus, the main issues to be resolved by the Panel are:
- A) What are the legal consequences in relation to the present dispute, if any, of the Appellant being under judicial administration?
 - B) In the event that the answer to question A) does not lead to the Decision being declared null and void, did the Respondent comply with the applicable rules and regulations during the process, and do the imposed sanctions have the necessary legal basis and proportionality?
- A. What are the legal consequences in relation to the present dispute, if any, of the Appellant being under judicial administration?**
45. The Panel initially notes that Art. 107 of the FIFA Disciplinary Code states as follows:

“Proceedings may be closed if:

- a) The parties reach an agreement;*
- b) A party declares bankruptcy;*
- c) They become baseless”.*

46. Furthermore, the Panel notes that it is uncontested by the Parties that by Order of 27 October 2006, the Labour Court of Londrina decided to put the Appellant under the administration of a judicial administrator, who from that moment assumed the obligation to supervise the assets of the Appellant.
47. It follows from the said Order from the Labour Court of Londrina, that, *inter alia*, “*It’s now set forth that, from this moment on, no administrative act of the [Appellant] shall be performed without this administrator’s authorization, who will be vested with authority, also to administrate current accounts and any other financial availabilities of the [Appellant]*”. Furthermore, the judicial administrator needs the authorisation from a professional judge to make any payment on behalf of the Appellant.
48. Based on the facts of the case and the Appellant’s submissions, the Panel finds that it is up to the Appellant to demonstrate the applicability of the Order from the Labour Court of Londrina and to discharge the burden of proof to establish that the judicial administration, under which the Appellant was and still is subject, is equivalent to a declaration of bankruptcy, which can justify the application of Art. 107 of the FIFA Disciplinary Code, or to discharge the burden of proof to establish that the Appellant, due to the judicial administration, in any other way was legally prevented from fulfilling its obligations pursuant to the PSC Decision.
49. In doing so, the Panel adheres to 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 fact and persuade the deciding body, it must actively substantiate its allegations with convincing evidence*” (e.g. CAS 2003/A/506, para. 54; CAS 2009/A/1810 & 1811, para. 46 and CAS 2009/A/1975, para. 71ff).
50. However, the Panel finds that the Appellant has failed to discharge the burden of proof to establish that the judicial administration, to which the Appellant was and still is subjected, is equivalent to a declaration of bankruptcy, which can justify the application of Art. 107 of the FIFA Disciplinary Code, or to discharge the burden of proof to establish that the Appellant, due to the judicial administration, in any other way was legally prevented from fulfilling its obligations pursuant to the PSC Decision.
51. The Panel notes initially in this connection that it is evident from the wording of the Labour Court Order that the judicial administration cannot, from a legal point of view, be recognised as equivalent to a declaration of bankruptcy.

52. On the contrary, the Panel merely regards the judicial administration as an administration scheme under the supervision of the judicial administrator in consultation with a professional judge that is intended to safeguard the interests of the Appellant's creditors in connection with the continued operations of the Appellant.
53. The Panel does not dispute that the Labour Court Order apparently makes it mandatory to obtain explicit authorisation for payments from the judicial administrator and a professional judge, but this is not tantamount to claiming that the Appellant is legally prevented from paying its creditors, notwithstanding that payment is apparently subject to prior authorisation.
54. This assessment is supported by the testimony of Ms Suzuki, who said – in her capacity as the Appellant's in-house lawyer – that the Appellant had requested the judicial administrator in early 2018 to pay the amounts covered by the PSC Decision and that she expected an authorisation for these payments to be issued within the next six months. Payment is therefore possible, but requires a formal prior authorisation.
55. Moreover, the Panel notes that the Appellant, in the period since the Labour Court Order was pronounced against the Appellant in October 2006, has continued its operations, and further takes note that the transfer agreements which form the basis for the claim lodged by ASB FC against the Appellant were both concluded in the period after the Appellant came under judicial administration.
56. Notwithstanding that the transfer agreements in question, according to Ms Suzuki's testimony, had apparently not been formally authorised by the judicial administrator, and the fact that the Appellant is apparently struggling with financial difficulties notwithstanding, the Appellant is nonetheless obliged to fulfil its contractual obligations in good faith in accordance with the principle of *pacta sunt servanda*. Hence, the Appellant's possible financial difficulties are not a justification for failing to pay its debt to ASB FC.
57. The Panel further notes in this context that the Appellant has in no way explained why a request for payment of the Appellant's debt to ASB FC was not submitted to the judicial administrator at a much earlier stage or why no attempt was apparently made to negotiate a payment plan with the said club, given the fact that ASB FC's claim arose in connection with the Player's transfer to Cruzeiro as far back as June 2015.
58. In the light of these circumstances alone, the Panel thus finds that the contents of the Labour Court Order are not of a nature to justify the application of Art. 107 of the FIFA Disciplinary Code, which provision is not exclusively intended to protect debtors with financial problems against the legitimate financial claims of creditors.
59. Furthermore, the Panel finds that the Appellant cannot in any other manner be assumed to be or have been legally prevented from fulfilling its financial obligations as stipulated in the PSC Decision.

60. Since it is also undisputed during the proceedings that the Appellant has neither settled its debts with ASB FC, nor has entered into a payment plan with a view to such settlement, the Panel concludes that the FIFA DC was fully entitled to apply Art. 64 of the FIFA Disciplinary Code to the present case of non-compliance.

B. Did the Respondent comply with the applicable rules and regulations during the process, and do the imposed sanctions have the necessary legal basis and proportionality?

61. Art. 64 of the FIFA Disciplinary Code states, *inter alia*, as follows:

“1. Anyone who fails to pay another person (such as a player, a coach or a club) or FIFA a sum of money in full or part, even though instructed to do so by a body, a committee or an instance of FIFA or a subsequent CAS appeal decision (financial decision), or anyone who fails to comply with another decision (non-financial decision) passed by a body, a committee or an instance of FIFA, or by CAS (subsequent appeal decision):

- a) will be fined for failing to comply with a decision;*
- b) will be granted a final deadline by the judicial bodies of FIFA in which to pay the amount due or to comply with the (non-financial) decision;*
- c) (only for clubs) will be warned and notified that, in the case of default or failure to comply with a decision within the period stipulated points will be deducted or relegation to a lower decision ordered. A transfer ban may also be pronounced.*
- d) [...].*

[...]

3. If points are deducted, they shall be proportionate to the amount owed.

[...].”

62. Furthermore, Art. 15, par. 2, of the same Code states as follows:

“The fine shall not be less than CHF 300, or in the case of a competition subject to an age limit not less than CHF 200, and not more than CHF 1,000,000”.

63. The Panel initially notes that the FIFA DC is not allowed to analyse a case decided by the relevant body as to substance, but has been assigned with the sole task of analysing whether the debtor complied with a final and binding decision.

64. In the case under review, it can be regarded as undisputed that the Appellant has failed to pay a sum of money to another club, even though instructed to do so by the FIFA Players' Status Committee, for which reason the basic conditions for applying Art. 64 of the FIFA Disciplinary Code have been met.

65. However, the Appellant submits in essence that, by not rendering a decision with the necessary grounds and in predictable manner, the FIFA Disciplinary Committee violated mandatory rules set out in the FIFA Statutes and the FIFA Disciplinary Code as well as principles of

Swiss law. Furthermore, the potential deduction of six points in this matter clearly ignores any premise of proportionality and has no legal grounds whatsoever, and the Disciplinary Committee furthermore failed to take into consideration the exceptional circumstances caused by the judicial administration of the Appellant.

66. With regard to the alleged non-compliance with the “predictable test”, the Panel initially notes that according to the principle of the association’s autonomy, the existence of which has been confirmed by the CAS jurisprudence (CAS 2008/A/1583 & 1584) under Swiss law, the right of associations to impose sanctions or disciplinary measures on clubs is not the exercise of a power delegated by the State, rather it is the expression of the freedom of associations and federations to regulate themselves. Indeed, when passing a decision, the FIFA disciplinary proceedings are meant to protect the essential objectives of FIFA, such as taking all appropriate steps to prevent infringements of the Statutes, regulations or decisions of FIFA or of the Laws of the Game (Art. 2 of the FIFA Statutes).
67. There is indeed general consensus that certain contents of the principle of *nulla poena sine lege* are also applicable to disciplinary provisions and proceedings in the context of sports organisations. The CAS, in particular, has adopted certain contents of this principle with regard to disciplinary proceedings and regulations of sports organisations by establishing a so-called “predictability test”.
68. The Panel agrees with FIFA that disciplinary provisions and proceedings of FIFA must be considered to be in line with the principle of *nulla poena sine lege* if:
- The relevant regulations and provisions emanate from duly authorised bodies.
 - The relevant regulations and provisions have been adopted in constitutionally proper ways.
 - The relevant regulations and provisions are not the product of an obscure process of accretion.
 - The relevant regulations and provisions are not mutually qualifying or contradictory.
 - The relevant regulations and provisions are not able to be understood only on the basis of the de facto practice over the course of many years of a small group of insiders.
 - There is a clear connection between the incriminated behavior and the sanction imposed.
69. In the matter at stake, the Appellant never contested that the FIFA Disciplinary Code emanates from a duly authorised body and was adopted in a fair manner and in a transparent way complying with the rules of the association (Arts. 60 et seq. of the Swiss Civil Code). The Appellant has neither claimed that the FIFA Disciplinary Code cannot be understood generally or that such rules are contradictory.
70. In the opinion of the Panel, it must have been clear to the Appellant that it was not fulfilling its financial obligations towards ASB FC, thus breaching the disciplinary regulations, and that an appropriate sanction would therefore be imposed.

71. In order for the principle of predictability and legality to be respected, it is not necessary for the sanctioned stakeholder to know in advance the exact sanction that will be imposed. On the contrary, the Panel agrees with a former Panel, which has clearly explained that *“Such fundamental principles are satisfied whenever the disciplinary rules have been properly adopted, describe the infringement and provide, directly or by reference, for the relevant sanction. The fact that the competent body applying the FIFA DC has the discretion to adjust the sanction mentioned in the rules deemed applicable to the individual behavior of a player breaching such rules is not inconsistent with those principles”* (CAS 2014/A/3665, 3666 & 3667).
72. Furthermore, it is worth noting that the Swiss Federal Supreme Court has deemed as lawful the system of sanctions used by the Respondent in the event of non-compliance with its decisions or those of the CAS, which have been applied in the present case (decision of the Swiss Federal Supreme Court dated 5 January 2007, ATF 4P.240/2006).
73. The Panel finds in this connection that a decision cannot be required to contain an elaborate list of all deliberations made by the legal body when deciding on sanctions as long as the sanctions fall within an appropriate and predictable framework and it is possible to establish with sufficient certainty the considerations and deliberations providing the basis for the decision and the sanctions imposed.
74. Therefore, in view of above, the Panel finds that the FIFA Disciplinary Committee has not violated the FIFA Statutes, the FIFA Disciplinary Code or any provisions of Swiss law since the system and procedure concerning the application of Art. 64 of the FIFA Disciplinary Code is solid and lawful.
75. With regard to the disproportionality of sanctions imposed on the Appellant, the Panel agrees with the Respondent’s position that the CAS shall amend a disciplinary decision of a FIFA judicial body only in cases in which it finds that the relevant FIFA judicial body exceeded the margin of discretion accorded to it by the principle of association autonomy, i.e. only in cases in which the FIFA judicial body concerned must be held to have acted arbitrarily (cf. RIEMER H. M., Berner Kommentar, Die Vereine, no 230 on art. 70). This is, however, not the case if the Panel merely disagrees with a specific sanction, but only if the sanction concerned is to be considered as evidently and grossly disproportionate to the offence (CAS 2014/A/3562).
76. The FIFA disciplinary authorities always adopt a case-by-case approach, and analyze and take into account all the specific circumstances of each case as foreseen under art. 39 par. 4 of the FIFA Disciplinary Code and as confirmed by the CAS: *“similar cases must be treated similarly, but dissimilar cases could be treated differently”* (cf. CAS 2012/A/2750).
77. In connection with decisions on sanctions to be imposed, it is essential to mention by way of explanation that imposing financial sanctions above a certain limit would be counter-productive. Indeed, it must be underlined that it is not the intention of the FIFA Disciplinary Committee or the logic behind art. 64 of the FIFA Disciplinary Code to impose sanctions that engender additional financial difficulties for the debtor which might compromise the payment of the outstanding amount due to another football stakeholder subject to enforcement.

78. In this sense, and in line with the above-mentioned general considerations, the Panel takes into account the fact that when deciding upon the possible sanctions to be imposed *in casu*, the FIFA Disciplinary Committee always takes into consideration the outstanding amount due and decides in line with the longstanding jurisprudence of the FIFA Disciplinary Committee, which has been repeatedly confirmed by the CAS (cf. *inter alia* CAS 2012/A/2730).
79. In this case, the outstanding amounts owed by the Appellant are BR 750,000 (approx. EUR 184,000) and CHF 5,000 (due to ASB FC) and CHF 13,000 (due to FIFA).
80. As a consequence, the FIFA Disciplinary Committee considered that, in the present case, a fine in the amount of CHF 15,000 would be appropriate and proportionate in the light of the amount of the outstanding debt. The purpose of the fine is to serve as a deterrent to parties who do not wish to comply with decisions of, amongst others, the FIFA bodies (CAS 2010/A/2148).
81. Based on the evidence of the case and the FIFA jurisprudence submitted by FIFA during these proceedings, the Panel finds itself convinced that the Decision was passed in accordance with the overriding principle of proportionality as well as in line with the FIFA Disciplinary Committee's longstanding practice, although the existence of certain earlier decisions that provide otherwise cannot be denied.
82. With regard to the period of grace granted to the Appellant, the Panel recalls that the FIFA Disciplinary Committee's margin of discretion foreseen under Art. 39, par. 1, of the FIFA Disciplinary Code refers not only to the imposition of the pertinent fines and points to be deducted, but also to the establishment of the conditions under which such sanctions are to be served. Undeniably, the final period of grace that the FIFA Disciplinary Committee may grant in accordance with Art. 64, par. 1(b), of the FIFA Disciplinary Code falls under such scope of discretion and, therefore, the imposition of a 30-day deadline also demonstrates the case-by-case analysis that was carried out in this case and the proportionality of the disciplinary measures imposed.
83. Furthermore, the Panel would like to point out that the Appellant has had knowledge of ASB FC's claim since 2015, but that the Appellant – during this period of time – has neither paid the outstanding amount nor made any attempt to negotiate a payment plan in this regard.
84. With regard to the potential imposition of the six-point deduction from the Appellant in case of its continued failure to pay the outstanding amount due within the period of grace, the Panel stated already that such sanction was imposed by taking into account the outstanding amount due. This has indeed been the longstanding practice of the FIFA Disciplinary Committee and is in accordance with the FIFA Disciplinary Code.
85. The Panel agrees with FIFA that in the present case a six-point deduction is to be considered an appropriate sanction in line with the FIFA Disciplinary Committee's longstanding practice,

especially taking into account the outstanding amount that has been unlawfully withheld from the ASB FC.

86. Finally, the Panel would like to underline the fact that the CAS has regularly confirmed the legality and the proportionality of the enforcement system created by the FIFA and the sanctions related thereto, in particular the deduction of points. In this sense, it should be noted that the CAS has regularly confirmed that the wording of Art. 64 of FDC provides for a clear statutory basis and precisely reflects the principle of proportionality: a first decision may only include a fine and the deduction of points since it is the less severe and therefore proportionate sanction for a first infringement of the obligation to comply with a FIFA body decision. However, in case of continued failure to comply with the said decision, a more severe sanction must be possible (i.e. relegation to a lower division), in order to take account of the continued disrespect of the FIFA's judicial authority (cf. *inter alia* CAS 2005/A/944; CAS 2011/A/2646; CAS 2012/A/3032).
87. The Panel finds that the deduction of points is certainly not one of the most severe sanctions that the FIFA Disciplinary Committee can impose on its stakeholders, but it agrees that relevant sporting and financial consequences may arise from its implementation. However, the Appellant can avoid the imposition of the point deduction by paying the debt owed, given that the enforcement of such sanction may only be requested once the final deadline of 30 days granted in the Appealed Decision has elapsed.
88. The Appellant is also free to negotiate a payment plan with the SB FC (who is free to accept it or not), which would have as a consequence the suspension of the disciplinary proceedings.
89. In conclusion, the Panel finds that the disciplinary measures imposed by the FIFA Disciplinary Committee in the Decision have been proven to be proportionate to the offence committed and, what is more, they were imposed in compliance with the FIFA Disciplinary Code and the FIFA Disciplinary Committee's longstanding jurisprudence, for which reason all arguments brought forward by the Appellant as regards the proportionality of the Appealed Decision are rejected.
90. Furthermore, the fact that the Appellant was and still is under judicial administration does not constitute exceptional circumstances which, in the matter at hand, could justify less severe sanctions.
91. To conclude, therefore, the Panel finds that in this case, and given the specific circumstances surrounding it, the Disciplinary Committee of the FIFA was correct in imposing the disciplinary sanctions on the Appellant, i.e. to continue the enforcement of the CAS Award according to Article 64 of the FIFA Disciplinary Code. Consequently, the Panel dismisses the Appellant's appeal.

VIII. SUMMARY

92. Based on the foregoing and after taking into consideration all evidence produced and all arguments made, the Panel finds that the Appellant has not adequately discharged the burden of proof to establish that the judicial administration under which the Appellant was and still is subject is not equivalent to a declaration of bankruptcy, which can justify the application of Art. 107 of the FIFA Disciplinary Code, nor discharged the burden of proof to establish that the Appellant, due to the judicial administration, in any other way was legally prevented from fulfilling its obligations pursuant to the PSC Decision.
93. Furthermore, the Panel finds that the Respondent complied with the applicable rules and regulations during the proceedings and that the sanctions imposed on the Appellant pursuant to the Decision have the necessary legal basis and proportionality.
94. The Appeal filed against the Decision is therefore dismissed.

ON THESE GROUNDS

The Court of Arbitration for Sport rules:

1. The appeal filed by Londrina Esporte Clube on 12 March 2018 against the decision rendered by the FIFA Disciplinary Committee on 10 November 2017 is dismissed.
2. The Decision rendered by FIFA Disciplinary Committee on 10 November 2017 is confirmed.
3. (...).
4. (...).
5. All further and other requests for relief are dismissed.