

# Decision of the Dispute Resolution Chamber

passed on 1 November 2023

regarding an employment-related dispute concerning  
the player **Anastasios Avlonitis**

**BY:**

**Angela COLLINS (Australia)**, Single Judge of the DRC

**CLAIMANT:**

**Anastasios Avlonitis, Greece**

Represented by Chrissa Sevastopoulou

**RESPONDENT:**

**Apollon Limassol, Cyprus**

Represented by Alkis Papantoniou

## I. Facts of the case

1. On 24 January 2022, the Greek player, Anastasios Avlonitis (hereinafter: *Claimant* or *player*) and the Cypriot club, APOLLON LIMASSOL (hereinafter: *club* or *Respondent*) concluded an employment contract (hereinafter: *contract*) valid as from 24 January 2022 until 30 June 2023.
2. On 31 August 2022, the parties concluded a termination agreement, according to which the club undertook to pay the player the amount of EUR 98,750, as follows:
  - EUR 10,000 on 30 September 2022;
  - EUR 10,000 on 31 October 2022;
  - EUR 10,000 on 30 November 2022;
  - EUR 10,000 on 31 December 2022;
  - EUR 10,000 on 31 January 2023;
  - EUR 10,000 on 28 February 2023;
  - EUR 10,000 on 31 March 2023;
  - EUR 10,000 on 30 April 2023;
  - EUR 10,000 on 31 May 2023;
  - EUR 8,750 on 30 June 2023.
3. On 27 April 2023, the Claimant put the Respondent in default and requested payment of EUR 60,358 plus interest, corresponding to outstanding instalments resulting from the termination agreement, setting a time limit of 8 days.
4. On 11 May 2023, the club replied to the player proposing “*repayment of the amount due in 3 equal instalments, from June to August*”.
5. On 30 May 2023, the parties entered into a settlement agreement, according to which the club undertook to pay the player the amount of EUR 60,358, as follows:
  - EUR 10,358 on 2 June 2023;
  - EUR 10,000 on 20 June 2023;
  - EUR 20,000 on 15 July 2023;
  - EUR 20,000 on 15 August 2023.
6. Art. 2 of the settlement agreement establishes: “*If the club falls to pay any of the agreed above instalments in full or in part, and provided the player has previously sent to the club via email a notice giving the club seven (7) days to comply with its obligations under the present agreement and the club did not comply, then the whole remaining amount of the debt will become immediately outstanding amount of the debt, an amount of twelve thousand euro (EUR 12,000) as an agreed penalty for the breach of the club’s contractual obligations provided in the present agreement.*”
7. On 4 September 2023, the Claimant put the Respondent in default and requested payment of EUR 20,000, corresponding to the last instalment of the settlement agreement.

## II. Proceedings before FIFA

8. On 21 September 2023, the Claimant filed the claim at hand before FIFA. A brief summary of the position of the parties is detailed in continuation.

### a. Position of the Claimant

9. In his claim, the Claimant requested payment of the following monies:

- EUR 20,000, corresponding to the last instalment of the settlement agreement, plus 5% interest *p.a.* as of 15 August 2023;
- EUR 12,000 as penalty based on art. 2 of the settlement agreement, plus 5% interest *p.a.* as of 18 September 2023.

10. In this framework, the player argued that the last instalment of the settlement agreement remained unpaid and the penalty agreed upon was triggered.

### b. Position of the Respondent

11. In its reply, the outstanding debt of EUR 20,000 was acknowledged.

12. However, the club argued that the penalty of EUR 12,000 is disproportionate and shall be disregarded.

### III. Considerations of the Dispute Resolution Chamber

#### a. Competence and applicable legal framework

13. First of all, the Single Judge (hereinafter also referred to as *Single Judge*) analysed whether she was competent to deal with the case at hand. In this respect, she took note that the present matter was presented to FIFA on 21 September 2023 and submitted for decision on 1 November 2023. Taking into account the wording of art. 34 of the March 2023 edition of the Procedural Rules Governing the Football Tribunal (hereinafter: *the Procedural Rules*), the aforementioned edition of the Procedural Rules is applicable to the matter at hand.
14. Subsequently, the Single Judge referred to art. 2 par. 1 and art. 24 par. 1 lit. a) of the Procedural Rules and observed that in accordance with art. 23 par. 1 in combination with art. 22 par. 1 lit. b) of the Regulations on the Status and Transfer of Players (May 2023), she is competent to deal with the matter at stake, which concerns an employment-related dispute with an international dimension between a player and a club.
15. Subsequently, the Single Judge analysed which regulations should be applicable as to the substance of the matter. In this respect, she confirmed that, in accordance with art. 26 par. 1 and 2 of the Regulations on the Status and Transfer of Players (May 2023 edition), and considering that the present claim was lodged on 21 September 2023, the March 2023 edition of said regulations (hereinafter: *the Regulations*) is applicable to the matter at hand as to the substance.

#### b. Burden of proof

16. The Single Judge recalled the basic principle of burden of proof, as stipulated in art. 13 par. 5 of the Procedural Rules, according to which a party claiming a right on the basis of an alleged fact shall carry the respective burden of proof. Likewise, the Single Judge stressed the wording of art. 13 par. 4 of the Procedural Rules, pursuant to which it may consider evidence not filed by the parties, including without limitation the evidence generated by or within the Transfer Matching System (TMS).

#### c. Merits of the dispute

17. Her competence and the applicable regulations having been established, the Single Judge entered into the merits of the dispute. In this respect, the Single Judge started by acknowledging all the above-mentioned facts as well as the arguments and the documentation on file. However, the Single Judge emphasised that in the following considerations it will refer only to the facts, arguments and documentary evidence, which it considered pertinent for the assessment of the matter at hand.

### i. Main legal discussion and considerations

18. The foregoing having been established, the Single Judge moved to the substance of the matter, and took note claim that the matter concerns a claim of a player against a club for outstanding amounts resulting from a settlement agreement including a penalty.
19. In this context, the Single Judge acknowledged that her task was to decide if the player is entitled to the claimed amounts and the penalty fee.
20. In this framework, the Single Judge took notice that the Respondent acknowledged the debt as such, but held that the penalty is disproportionate and shall be disregarded.
21. As to the penalty, the Single Judge wished to recall the jurisprudence of the Football Tribunal that penalty clauses, in principle, may be freely entered into by the contractual parties and may be considered acceptable, in the event that the pertinent written clause meets certain criteria such as proportionality and reasonableness. Accordingly, it shall be added that in order to determine as to whether a penalty clause is to be considered acceptable, the specific circumstances of the relevant case brought before the deciding body shall also be taken into consideration.
22. In the specific case at hand, the Single Judge analysed art. 2 of the settlement agreement and concluded that a penalty of EUR 12,000 compared to the settlement amount of EUR 60,358 appears to be proportional and reasonable. Therefore, the Single Judge decided to award the amount of EUR 12,000 as a penalty to the Claimant.

### ii. Consequences

23. As a consequence, and in accordance with the general legal principle of *pacta sunt servanda*, the Single Judge decided that the Respondent is liable to pay to the Claimant the amounts which were outstanding under the settlement agreement, *i.e.* EUR 20,000.
24. In addition, taking into consideration the Claimant's request as well as the constant practice of the Chamber in this regard, the Single Judge decided to award the Claimant interest at the rate of 5% *p.a.* on the outstanding amounts as from 16 August 2023 until the date of effective payment.
25. As established above, the Single Judge further decided to award the player the penalty fee established in art. 2 of the settlement agreement, *i.e.* EUR 12,000.
26. In line with the Football Tribunal's jurisprudence, the Single Judge decided that no interest is awarded on the penalty.

### iii. Compliance with monetary decisions

27. Finally, taking into account the applicable Regulations, the Single Judge referred to art. 24 par. 1 and 2 of the Regulations, which stipulate that, with its decision, the pertinent FIFA deciding body shall also rule on the consequences deriving from the failure of the concerned party to pay the relevant amounts of outstanding remuneration and/or compensation in due time.
28. In this regard, the Single Judge highlighted that, against clubs, the consequence of the failure to pay the relevant amounts in due time shall consist of a ban from registering any new players, either nationally or internationally, up until the due amounts are paid. The overall maximum duration of the registration ban shall be of up to three entire and consecutive registration periods.
29. Therefore, bearing in mind the above, the Single Judge decided that the Respondent must pay the full amount due (including all applicable interest) to the Claimant within 45 days of notification of the decision, failing which, at the request of the Claimant, a ban from registering any new players, either nationally or internationally, for the maximum duration of three entire and consecutive registration periods shall become immediately effective on the Respondent in accordance with art. 24 par. 2, 4, and 7 of the Regulations.
30. The Respondent shall make full payment (including all applicable interest) to the bank account provided by the Claimant in the Bank Account Registration Form, which is attached to the present decision.
31. The Single Judge recalled that the above-mentioned ban will be lifted immediately and prior to its complete serving upon payment of the due amounts, in accordance with art. 24 par. 8 of the Regulations.

### d. Costs

32. The Single Judge referred to art. 25 par. 1 of the Procedural Rules, according to which *"Procedures are free of charge where at least one of the parties is a player, coach, football agent, or match agent"*. Accordingly, the Single Judge decided that no procedural costs were to be imposed on the parties.
33. Likewise, and for the sake of completeness, the Single Judge recalled the contents of art. 25 par. 8 of the Procedural Rules, and decided that no procedural compensation shall be awarded in these proceedings.
34. Lastly, the Single Judge concluded its deliberations by rejecting any other requests for relief made by any of the parties.

#### IV. Decision of the Dispute Resolution Chamber

1. The claim of the Claimant, Anastasios Avlonitis, is partially accepted.
2. The Respondent, APOLLON LIMASSOL, must pay to the Claimant the following amount(s):
  - **EUR 20,000** plus 5% interest *p.a.* as from 16 August 2023 until the date of effective payment;
  - **EUR 12,000** as contractual penalty.
3. Any further claims of the Claimant are rejected.
4. Full payment (including all applicable interest) shall be made to the bank account indicated in the **enclosed** Bank Account Registration Form.
5. Pursuant to art. 24 of the Regulations on the Status and Transfer of Players, if full payment (including all applicable interest) is not made **within 45 days** of notification of this decision, the following **consequences** shall apply:
  1. The Respondent shall be banned from registering any new players, either nationally or internationally, up until the due amount is paid. The maximum duration of the ban shall be of up to three entire and consecutive registration periods.
  2. The present matter shall be submitted, upon request, to the FIFA Disciplinary Committee in the event that full payment (including all applicable interest) is still not made by the end of the three entire and consecutive registration periods.
6. The consequences **shall only be enforced at the request of the Claimant** in accordance with art. 24 par. 7 and 8 and art. 25 of the Regulations on the Status and Transfer of Players.
7. This decision is rendered without costs.

For the Football Tribunal:



**Emilio García Silvero**

Chief Legal & Compliance Officer

**NOTE RELATED TO THE APPEAL PROCEDURE:**

According to article 57 par. 1 of the FIFA Statutes, this decision may be appealed against before the Court of Arbitration for Sport (CAS) within 21 days of receipt of the notification of this decision.

**NOTE RELATED TO THE PUBLICATION:**

FIFA may publish this decision. For reasons of confidentiality, FIFA may decide, at the request of a party within five days of the notification of the motivated decision, to publish an anonymised or a redacted version (cf. article 17 of the Procedural Rules Governing the Football Tribunal).

**CONTACT INFORMATION**

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