

# Decision of the Dispute Resolution Chamber

passed on 18 October 2023

regarding an employment-related dispute concerning  
the player Valentino Kuach Yuel

**BY:**

**Frans de Weger (Netherlands)**, Chairperson

**Peter Lukasek (Slovakia)**, member

**Khalid Awad Al-Thebity (Saudi Arabia)**, member

**CLAIMANT:**

**Valentino Kuach Yuel, Australia**

Represented by Greg Griffin

**RESPONDENT:**

**Aluminium Arak, Iran IR**

## I. Facts of the case

1. On 1 August 2022, the Australian player Valentino Kuach Yuel (hereinafter the *Claimant* or the *Player*) and the Iranian club Aluminium Arak (hereinafter the *Respondent* or the *Club*) concluded employment agreement (hereinafter the *Employment Agreement*), valid as from 1 August 2022 until 30 June 2024.
2. In accordance with Clause 4 of the Employment Agreement, the Claimant and the Respondent (jointly referred to as the *Parties*) agreed upon the following financial benefits:
  - Year 1: 1 August 2022 – 30 June 2023: USD 130,000, payable as follows:
    - USD 25,000, payable on 1 October 2022;
    - USD 25,000, payable on 1 December 2022;
    - USD 30,000, payable on 1 February 2023;
    - USD 20,000, payable on 1 April 2023;
    - USD 30,000, payable on 30 June 2023;
  - Year 2: 1 August 2023 – 30 June 2024: USD 240,000, payable as follows:
    - USD 50,000, payable on 1 August 2023;
    - USD 30,000, payable on 1 October 2023;
    - USD 30,000, payable on 1 December 2023;
    - USD 40,000, payable on 1 February 2024;
    - USD 30,000, payable on 1 April 2024;
    - USD 60,000, payable on 30 June 2024;
3. In accordance with Clause 7 of the Employment Agreement, the Respondent was obliged to provide the Claimant the following additional benefits:
  - Furnished accommodation, whereas the expenses shall be paid by the Claimant;
  - 2 round-trip tickets for the Claimant and his family between Adelaide and Tehran;
  - Suitable vehicle with a driver.
4. On 6 July 2023, the Claimant sent a letter to the Respondent, requesting information regarding the upcoming season. In particular, the Claimant was in his home country, requesting flight tickets as well as to join the team. The latter granted the Respondent 10 days to comply with its obligations.
5. On 18 July 2023, the Claimant reiterated its requests.
6. 31 July 2023, the Claimant reminded the Respondent of its previous requests and highlighted that the first official match is scheduled on 4 August 2023 and that he shall be provided with the flight tickets in order to participate in the match. In this respect, the Claimant asserted that the Respondent is in breach of its contractual obligations.

7. It appears from the correspondence on file that on 2 August 2023, the Respondent sent a letter to the Iranian agent of the Claimant.
8. On 4 August 2023, the Claimant sent another email to the Respondent, alleging that all previous correspondences have been ignores and requesting the flight tickets to Iran as well as the training schedule.
9. 7 August 2023, the Claimant sent a letter to the Respondent, reverting to the alleged letter of 2 August 2023 as follows:

*“Your correspondence of 2 August 2023 is quite frankly disingenuous and fails to in any way improve the position of the Club it having been given notice in each of the 6 July 2023, 18 July 2023 and 31 July 2023 letters from us to you that the contractual obligation to provide return airfares from Australia to Iran pursuant to article 4.9 of the Contract constitutes a financial obligation of the Club towards Valentino. As was clearly stated in our correspondence of 18 July 2023 failure to pay the financial obligations would result in our client exercising its rights pursuant to clause 14bis of the RSTP October 2022 Edition permitting Valentino to terminate the contract with just cause.”*
10. Furthermore, in the same letter, the Claimant requested a payment of USD 50,000, i.e. the instalment of 1 August 2022. The Claimant highlighted that *“Upon payment of the due amount of \$50,000 USD and the forwarding of the return airline tickets between Iran and Australia [he] will meet with you at the Club to discuss the issues you have raised.”*
11. On 8 August 2023, the Claimant’s representative sent the following letter to the Respondent:

*“Can you please advise when Valentino's schedule will be sent to him. He has instructed me that he intends to travel to Arak forthwith.  
Please advise when the flights to Tehran will be booked and the tickets forwarded to us and upon arrival in Iran how Valentino is to be transported to Arak. Further please send to us the address of his fully furnished apartment so we can confirm his travel arrangements.”*
12. In his further correspondence of 10 August 2023, the Claimant informed the Respondent that it will book his ticket to Tehran upon:

*“1. Furnishing to us the address of his fully furnished apartment in Arak; and  
2. Confirming that you will have his driver pick him up from the airport in Tehran that he arrives at after we have given you his flight details.”*
13. On 15 August 2023, the Claimant sent a default notice to the Respondent, reminding about outstanding payment in the total amount of USD 50,000 as well as its other contractual obligations. In the said notice, the Claimant granted the Respondent 15-days to comply with its financial obligations.

14. On 31 August 2023 the Claimant terminated the Employment Agreement with the Respondent.
15. During the FIFA proceedings, the Claimant informed FIFA general secretariat that he remained unemployed.

## II. Proceedings before FIFA

16. On 1 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

17. The requests for relief of the Claimant were the following:

- 1. Damages in the sum of \$240,000.00 USD being the Claimant's agreed Retainer with the Respondent for the 2023-2024 season to play in the Persian Gulf League for the Respondent;*
- 2. Additional compensation pursuant to Article 17 paragraph 1 (ii) of the RSTP in the sum of \$120,000.00 USD due to the egregious circumstances of the Respondent's conduct leading to the termination of the Contract;*
- 3. An amount of \$20,000.00 USD being the value of the fully maintained motor vehicle for the term of the Contract;*
- 4. Interest to be calculated on the damages awarded at the maximum allowable interest per annum under Swiss law; and*
- 5. An order that the Respondent pay the Claimant's costs of these proceedings in accordance with rule 18 of the Procedural Rules, up to the maximum amount of CHF 25,000 referred to in the Procedural Rules."*

18. The Claimant argued that *"the action taken by the Respondent to ignore the 15 August Griffin Lawyers Letter and the Termination Letter, evinced a clear and unequivocal intention on the part of the Respondent to no longer be bound by the terms of the Employment Contract."*
19. Furthermore, the Claimant argued that the amount of USD 50,000 remained outstanding, which constitutes of more than 2 monthly salaries and, hence, the termination occurred in line with art. 14bis of the Regulations.

### b. Position of the Respondent

20. Despite being invited to do so, the Respondent failed to reply to the claim.

### III. Considerations of the Dispute Resolution Chamber

#### a. Competence and applicable legal framework

21. First of all, the Dispute Resolution Chamber (hereinafter also referred to as *Chamber* or *DRC*) analysed whether it was competent to deal with the case at hand. In this respect, it took note that the present matter was presented to FIFA on 1 September 2023 and submitted for decision on 18 October 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.
22. Subsequently, the members of the Chamber referred to art. 2 par. 1 of the Procedural Rules and observed that in accordance with art. 23 par. 1 in combination with art. 22 lit. b) of the Regulations on the Status and Transfer of Players May 2023 edition), the Dispute Resolution Chamber is competent to deal with the matter at stake, which concerns an employment-related dispute with an international dimension between an Australian player and an Iranian club.
23. Subsequently, the Chamber analysed which regulations should be applicable as to the substance of the matter. In this respect, it 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 1 September 2023, the May 2023 edition of said regulations (hereinafter *the Regulations*) is applicable to the matter at hand as to the substance.

#### b. Burden of proof

24. The Chamber 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 Chamber 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

25. Its competence and the applicable regulations having been established, the Chamber entered into the merits of the dispute. In this respect, the Chamber started by acknowledging all the above-mentioned facts as well as the arguments and the documentation on file. However, the Chamber 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

26. The foregoing having been established, the Chamber moved to the substance of the matter, and took note of the fact that this is a claim of a Player against a Club concerning a termination of the employment relationship, based on the alleged non-payment of certain financial obligations by the Respondent as per the contract, in accordance with art. 14bis of the Regulations.
27. The DRC further noted that the claim remained uncontested by the Respondent and, consequently, that it will base its decision on file (art. 21 par. 1 of the Procedural Rules).
28. In this context, the Chamber acknowledged that its task was to determine, based on the evidence presented by the Parties, whether the claimed amounts had in fact remained unpaid by the Respondent and, if so, whether the formal pre-requisites of art. 14bis of the Regulations had in fact been fulfilled.
29. The Chamber then referred to the wording of art. 14bis par. 1 of the Regulations, in accordance with which, if a club unlawfully fails to pay a player at least two monthly salaries on their due dates, the player will be deemed to have a just cause to terminate his contract, provided that he has put the debtor club in default in writing and has granted a deadline of at least 15 days for the debtor club to fully comply with its financial obligation(s).
30. The Chamber noted that the Claimant claims not having received his remuneration corresponding to approximately two monthly salaries. Furthermore, the Chamber noted that the Claimant has provided written evidence of having put the Respondent in default on 15 August 2023, i.e. at least 15 days before unilaterally terminating the contract on 31 August 2023.
31. Considering the wording of art. 14bis par. 2 of the Regulations and the fact that the Claimant's salary was not due on a monthly basis, the Chamber calculated the pro-rata value of the remuneration and concluded that the amount of USD 50,000 claimed corresponded to approximately two monthly salaries (overall value of the contract is USD 240,000 divided by the relevant months, i.e. 11 = approximately USD 21,000 as a monthly salary).
32. The Chamber also noted that in the case at hand the Respondent bore the burden of proving that it indeed complied with the financial terms of the contract concluded between the Parties. Nonetheless, no such evidence was provided by the Respondent.
33. Thus, the Chamber concluded that the Claimant had a just cause to unilaterally terminate the contract, based on art. 14bis of the Regulations. Finally, for the sake of competition, the Chamber wished to remark that also the behaviour of the Club clearly showed lack of interest in the Claimant.

## ii. Consequences

34. Having stated the above, the members of the Chamber turned their attention to the question of the consequences of such unjustified breach of contract committed by the Respondent.
35. The Chamber observed that the outstanding remuneration at the time of termination, coupled with the specific requests for relief of the Player, are amounting to USD 50,000.
36. Concerning the Claimant's request for the vehicle costs (USD 20,000), the DRC rejected this part of the claim as no evidence was provided by the Claimant for such amount nor was this amount contractually established.
37. As a consequence, and in accordance with the general legal principle of *pacta sunt servanda*, the Chamber decided that the Respondent is liable to pay to the Claimant the amounts which were outstanding under the contract at the moment of the termination, i.e. USD 50,000.
38. In addition, taking into consideration the Claimant's request as well as the constant practice of the Chamber in this regard, the latter decided to award the Claimant interest at the rate of 5% p.a. on the outstanding amounts as from 2 August 2023 until the date of effective payment.
39. Having stated the above, the Chamber turned to the calculation of the amount of compensation payable to the Player by the Club in the case at stake. In doing so, the Chamber firstly recapitulated that, in accordance with art. 17 par. 1 of the Regulations, the amount of compensation shall be calculated, in particular and unless otherwise provided for in the contract at the basis of the dispute, with due consideration for the law of the country concerned, the specificity of sport and further objective criteria, including in particular, the remuneration and other benefits due to the Player under the existing contract and/or the new contract, the time remaining on the existing contract up to a maximum of five years, and depending on whether the contractual breach falls within the protected period.
40. In application of the relevant provision, the Chamber held that it first of all had to clarify as to whether the pertinent employment contract contained a provision by means of which the parties had beforehand agreed upon an amount of compensation payable by the contractual parties in the event of breach of contract. In this regard, the Chamber established that no such compensation clause was included in the employment contract at the basis of the matter at stake.
41. As a consequence, the members of the Chamber determined that the amount of compensation payable by the club to the player had to be assessed in application of the other parameters set out in art. 17 par. 1 of the Regulations. The Chamber recalled that

said provision provides for a non-exhaustive enumeration of criteria to be taken into consideration when calculating the amount of compensation payable.

42. Bearing in mind the foregoing as well as the claim of the player, the Chamber proceeded with the calculation of the monies payable to the Player under the terms of the contract from the date of its unilateral termination until its end date. Consequently, the Chamber concluded that the amount of USD 190,000 (i.e. the residual value of the contract) serves as the basis for the determination of the amount of compensation for breach of contract.
43. In continuation, the Chamber verified as to whether the Player had signed an employment contract with another club during the relevant period of time, by means of which he would have been enabled to reduce his loss of income. According to the constant practice of the DRC as well as art. 17 par. 1 lit. ii) of the Regulations, such remuneration under a new employment contract shall be taken into account in the calculation of the amount of compensation for breach of contract in connection with the Player's general obligation to mitigate his damages.
44. In this respect, the Chamber noted that the Player remained unemployed since the unilateral termination of the contract.
45. The Chamber referred to art. 17 par. 1 lit. ii) of the Regulations, according to which, in case the player did not sign any new contract following the termination of his previous contract, as a general rule, the compensation shall be equal to the residual value of the contract that was prematurely terminated.
46. In this respect, the Chamber decided to award the Player compensation for breach of contract in the amount of USD 190,000, as the residual value of the contract.
47. Lastly, taking into consideration the Player's request as well as the constant practice of the Chamber in this regard, the latter decided to award the player interest on said compensation at the rate of 5% p.a. as of 31 August 2023 until the date of effective payment.

### **iii. Compliance with monetary decisions**

48. Finally, taking into account the applicable Regulations, the Chamber 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.
49. In this regard, the DRC 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.

50. Therefore, bearing in mind the above, the DRC 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.
51. 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.
52. The DRC 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**

53. The Chamber 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 Chamber decided that no procedural costs were to be imposed on the Parties.
54. Likewise, and for the sake of completeness, the Chamber recalled the contents of art. 25 par. 8 of the Procedural Rules, and decided that no procedural compensation shall be awarded in these proceedings.
55. Lastly, the DRC 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, Valentino Kuach Yuel, is partially accepted.
2. The Respondent, Aluminium Arak, must pay to the Claimant the following amount(s):
  - **USD 50,000 as outstanding remuneration** plus 5% interest *p.a.* as from 2 August 2023 until the date of effective payment;
  - **USD 190,000 as compensation for breach of contract without just cause** plus 5% interest *p.a.* as from 31 August 2023 until the date of effective payment.
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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