

CAS 2025/A/11299 Iraqi Football Association (IFA) v. Javier Sanchis Benavent

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Mr. Espen Auberg, Attorney-at-law, Oslo, Norway

in the arbitration between

Iraqi Football Association, Iraq

Represented by Mr Adnan Darjal Motar, President of the Iraqi Football Association, Baghdad, Iraq

- Appellant -

and

Javier Sanchis Benavent, Spain

Represented by Mr Josep Vandellos Alamilla, Attorney-at-Law, Valencia, Spain

- Respondent -

I. PARTIES

- 1. The Iraqi Football Association (the "Appellant" or the "IFA") is the national football association of Iraq, which has its seat in Baghdad, Iraq. It is affiliated with the Asian Football Confederation ("AFC") and the Fédération Internationale de Football Association ("FIFA").
- 2. Mr Javier Sanchis Benavent (the "Respondent" or the "Coach") is a professional football coach of Spanish nationality, previously employed by the IFA.
- 3. The Appellant and the Respondent are hereinafter jointly referred to as the "Parties".

II. FACTUAL BACKGROUND

4. Below is a summary of the main relevant facts, as established on the basis of the written submissions of the Parties, and the evidence examined in the course of the proceedings. This background information is given for the sole purpose of providing a summary of the dispute. Additional facts may be set out, where relevant, in connection with the legal analysis. While the Sole Arbitrator has considered carefully all the facts and evidence submitted by the Parties in the present proceedings, this Award refers only to the facts and evidence considered necessary.

A. Background Facts

- 5. On 5 November 2022, the Coach and the IFA concluded an employment contract (the "Contract") for the term 5 November 2022 until 4 November 2026. In the Contract, The IFA is referred to as "the First Party", whilst the Coach is referred to as "the Second Party".
- 6. The preamble of the Contract states, *inter alia*, as follows:
 - "Whereas the first party (IFA) would like to get the assistance and experience of the second party as an assistant coach for the Iraqi National Team. The Second Party showed his desire and acceptance to be assistant coach with specialization in Performance and condition training of the Iraqi National Team."
- 7. Remuneration is regulated in Clause 5 of the Contract, which stipulates, *inter* alia, as follows:

"V. REMUNERATION

In consideration of the performance of the Service, the IFA shall pay the Assistant Coach the following amounts as remuneration (the "Remuneration") under the following terms:

➤ Annual fee: the IFA will pay the Coach USD 100,000,00/- (one hundred thousand US Dollars), payable as it follows:

For the first contractual year, i.e. until the end of October 2023: USD 35,000.00/-(thirty five thousand US dollars) payable on the 25th of November 2022 while the remaining part of that year's remuneration (i.e. USD 65,000.00/-) payable in twelve (12) Equal installment of USD 5,416.67- each (five thousand four hundred sixteen US dollars and sixty seven cents) which will be paid on the first (1) Business Day after every full month following the Commencement Date.

For the remaining contractual years, i.e. as of the 5th of November 2023 until 4th November 2026: USD 35,000.00/- (thirty five thousand US dollars) payable on the 5th of November of every year, while the remaining part of that year's remuneration (i.e. USD 65,000.00/-) payable in twelve (12) equal installment of USD 5,416.67-each (five thousand four hundred sixteen US dollars and sixty seven cents) which will be paid on the first (1) Business Day after every full month following the Commencement Date.

All Compensation amounts described above are net amounts, not subject to income tax withholding or any other tax or duty required in Iraq."

- 8. In addition to remuneration as regulated in Clause V, the Contract also stipulated that the IFA was responsible for providing accommodation, flight tickets and bonuses.
- 9. Clause 10 of the Contract regulates the Parties rights to unilaterally terminate the Contract, and provides, *inter alia*, as follows:

"X. TERMINATION

- 10.1. The Head Coach may terminate this Contract without just cause without payment of any compensation provided that such termination is made during the months of September/October every year and should be notified to the IFA in advance through a thirty (30) day notice. The coach shall be given all eventually pending Financial entitlements of the residual value of the Contract until the following 4st of November of the ongoing year.
- 10.2. In the event that the first coach terminates his contract without a just reason other than the case mentioned in paragraph 10.1, the second party is obligated to pay compensation to the first party equivalent to the salaries of the second party until the end of the agreed contractual year concerned.
- 10.3. The first party may terminate this Contract without just cause without payment of any compensation provided that such termination is made during the months of September/October every year and shall be notified in advance through a thirty (30) day notice. The coach shall be given all eventually pending financial entitlements of

the residual value of the Contract until the following 4st of November of the ongoing year.

10.4. In the event that the first party terminates the contract without a just reason other than the case mentioned in paragraph 10.3, the first party is obligated to pay compensation to the second party equivalent to the salaries of the second party until the end of the agreed contractual year concerned. For instance, IFA can terminate unilaterally and without just cause the Contract of the Coach on the 1st of April 2023 (for example) in which case IFA will pay to the Coach as compensation, the full residual value of his contract until the 4th of November 2023.

In all cases, should IFA prematurely and unilaterally terminate the Head Coach's contract, the latter will be obliged to at that very same point in time terminate all of the assistant's coaches contacts all together. Should IFA not proceed likewise it will be considered that IFA has severely breached the terms of the Head Coach's contract without just cause."

10. Clause 14 of the Contract regulates applicable law and jurisdiction and stipulates as follows:

"XIV. GOVERNING LAW AND JURISDICTION

Any and all breaches, omissions, or misinterpretations of this Contract will be solved according to Swiss laws.

In case any of these breaches, omissions, or misinterpretations results in a dispute or disagreement that cannot be resolved amicably by the parties, FIFA rules and regulations including without limitation the reference of such dispute(s) to the initial jurisdiction of the FIFA Football Tribunal and/or before the TAS/CAS (either as an appeal against a FIFA Decision or through an ordinary procedure, at the discretion of the claiming party)."

11. On 16 September 2024, the Coach sent a WhatsApp message to the President of the IFA with the following content:

"Dear President Adnan,

I trust this message finds you in good health. Following my conversation with Jesus in August, I have been awaiting clarification form the FA regarding my current status. I have been removed from my duties without explanation and prevented from working alongside the rest of the staff. Moreover, my September salary remains unpaid, and I have not been provided with the required accommodation.

I find this situation intolerable and respectfully request that please, you address these matters without further delay".

12. On 26 September 2024, the Coach sent a new WhatsApp message to the President of the IFA with the following content:

"Dear President Adnan,

It has now been a week since my last correspondence, and, unfortunately, my situation remains unchanged.

The Federation continues to disregard the terms of our contract and has unjustly excluded me from all activated without any justification. Additionally, my remuneration remains unpaid.

I respectfully urge you once again to address this matter promptly by reinstating me in my role and ensuring that all outstanding payments are made without further delay.

In the meantime, I reserve al my legal rights."

13. On 1 October 2024, the IFA sent to the Coach a letter (the "Termination Letter"), stating, *inter alia*, as follows:

"Subject: Notification of Terminating the Contract

Dear Sir,

Iraqi Football Association presents its sincere compliments.

Based on the contract concluded between the Iraqi Football Association and Mr. JAVIER BENAVENT SANCHIS, Assistant Coach (signed on 5/11/2022 and pursuant to article 10.3 Termination of the contract:

(The first party may terminate this contract without just cause without paying any compensation, provided that such termination is made during the month of September / October every year and shall be notified in advance through a thirty-day notice. The coach shall be given all eventually financial entitlements of the residual value of the contract until the following the 4th November of the ongoing year).

Due to the desire of the Iraqi Football Association, (the first party) to terminate the contract with Mr. JAVIER BENAVENT SANCHIS, the Assistant Coach (the second party), pursuant to the above article, we would like to inform you that the contract signed on 5/11/2022 between the Iraqi Football Association and Mr. JAVIER BENAVENT SANCHIS has been terminated.

We would like to thank you for your good behavior and Professional work throughout the contract period and wish you continued success."

- 14. On 6 October 2024, the Coach sent a letter to the IFA, where he put the IFA in default and requested the payment of, *inter alia*, USD 5,416.67 net corresponding to the salary for September 2024 and USD 205,416.67 net corresponding to compensation for breach of contract.
- 15. On 15 October 2024 the IFA sent a letter to the Coach. The letter stated, *inter alia*, as follows:

"Subject: Mr. Javier Sanchis Benavent (Assistant Coach)

Dear Mr. Saksham,

Iraqi Football Association presents its sincere compliments.

Regarding the above subject, we would like to clarify the following:

- 1. The contract with Mr. Javier Sanchis Benavent (Assistant Coach) was signed by mutual agreement and consent between both parties to all the terms of the contract. The contract period starts from 05/11/2022 to 04/11/2026.
- 2. The concluded contract includes all the agreed upon terms, including Article Ten (Termination), according to which the first party (the Association) may terminate this contract without direct cause without paying any compensation, provided that this termination takes place within two months, specifically (September / October) of each year with prior notice of thirty (30) days.
- 3. Mr. Javier Sanchis Benavent was officially notified on 01/10/2024 of the termination of the contract concluded between him and the Iraqi Football Association on 05/11/2022 based on the terms of the contract.

Based on the contract concluded between the Iraqi Football Association and Mr. Javier Sanchis Benavent signed on 05/11/2022 with satisfaction and agreement and since the contract is the law of the contracting parties, the contract was terminated with Mr. Javier Sanchis Benavent) pursuant to Article Ten (Termination) of the above contract. A notice was sent by the Association to Mr. Javier Sanchis Benavent (No. 315/1 dated 01/10/2024) and thus the Iraqi Football Association has not breached any clause of the contract and has fulfilled all its obligations.

The Iraqi Football Association, in order to show its good faith, always seeks to resolve matters amicably, as this is the best way for both parties."

B. Proceedings before the FIFA Player's Status Chamber

16. On 13 November 2024, the Coach filed a claim with the Player's Status Chamber of the FIFA Tribunal (the "FIFA PSC").

- 17. In his claim before FIFA PSC, the Coach argued, *inter alia*, that the IFA terminated the Contract without just cause and failed to pay him compensation and outstanding remuneration. In this regard, the Coach stated that the IFA failed to comply with the mandatory prior notice, as the Clause 10.3 of the Contract stipulated that the termination needed to be made during September and October and be notified with a prior notice of 30 days, which was not the case as the termination was made with immediate effect. Further, the Coach argued that Clause 10.3 of the Contract was null and void.
- 18. In its reply, the IFA claimed, *inter alia*, that the IFA was entitled to terminate the Contract without just cause and without paying any compensation based on Clause 10.3 of the Contract, if the termination occurred during the months of September and October and was notified in advance with a 30-day notice.
- 19. The IFA stated that it terminated the Contract in accordance with Clause 10.3 and was willing to pay the remaining one month owed to the Coach.
- 20. The FIFA PSC rendered a decision on 28 January 2025 (the "Appealed Decision"). The FIFA PSC partially accepted the Coach's claims. The operative part of the Appealed Decision reads as follows:
 - "1. The claim of the Claimant, Javier Sanchis Benavent, is partially accepted.
 - 2. The Respondent, Iraqi Football Association, must pay to the Claimant the following amounts:
 - USD 5,416.67 net as outstanding remuneration plus 5% interest p.a. as from 2 October 2024 until the date of effective payment;
 - USD 205,416.67 net as compensation for breach of contract plus 5% interest p.a. as rom 1 October 2024 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. 8 of Annexe 2 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. 20% of the next FIFA Forward instalment due to the Respondent will be withheld until payment is made.
 - 2. If, after the first withholding, payment is still not made, a further 20% of the Next instalment of FIFA Forward will be withheld and, at the request of

the creditor, the case may additionally be referred to the FIFA Disciplinary Committee.

- 6. The consequences shall only be enforced at the request of the Claimant in accordance ith art. 8 par. 7 and 8 of Annexe 2 and art. 25 of the Regulations on the Status and Transfer of Players.
- 7. This decision is rendered without costs."
- 21. The grounds of the Appealed Decision were communicated to the Parties on 10 March 2025. A summary of FIFA PSC's reasoning in the Appealed Decision is as follows:
 - Taking into account the wording of Article 34 of the Procedural Rules Governing the Football Tribunal January 2025 edition (the "FIFA Procedural Rules"), the Procedural Rules was applicable to the matter at hand. In accordance with Article 22 lit. c) of the Regulations on the Status and Transfer of Player ("FIFA RSTP"), FIFA PSC was competent to deal with the matter at stake, which concerns an employment-related dispute with an international dimension between a coach from Spain and the Iraqi Football Association.
 - In accordance with Article 29 of FIFA RSTP (January 2025 edition), the January 2025 edition of said regulations was applicable to the matter at hand as to the substance.
 - FIFA PSC noted that the Clause 10.3 of the Contract stipulated two formal conditions for a valid termination. Firstly, the termination must occur during September/October, and secondly the termination must be notified in advance with a 30-day notice. FIFA PSC concluded that the IFA had not complied with the second condition, i.e. to notify the coach of the termination with a 30-day notice.
 - Further, FIFA PSC noted that it considered Clause 10.3 to be disproportionate and should be set aside.
 - With regards to the consequences of the termination of the Contract, FIFA PSC found that the Coach was entitled to outstanding remuneration in the amount of USD 5,416.67 net.
 - FIFA PSC further found that the Coach was entitled to compensation in the amount of USD 205,416.67, corresponding to the residual value of the Contract.
 - Finally, FIFA PSC found that the Coach was entitled to an interest at the rate of 5% p.a. on the outstanding amounts as from the due dates until the date of effective payment.

III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

- 22. On 29 March 2025, the Appellant filed a Statement of Appeal with the Court of Arbitration for Sport ("CAS"), pursuant to Article R47 and R48 of the Code of Sports-related Arbitration (2023 edition) (the "CAS Code"), against the Appealed Decision. In its Statement of Appeal, the Appellant requested that the dispute be referred to a sole arbitrator.
- 23. On 2 April 2025, the Respondent filed a letter, stating, *inter alia*, that it agreed to refer the dispute to a sole arbitrator.
- 24. On 18 May 2025, after the Appellant had been granted extensions of time for the filing of the Appeal Brief, the CAS Court Office notified the Parties of the receipt of the Appeal Brief and granted the Respondent a deadline of 20 days to file his Answer, pursuant to Article R55 of the Code.
- 25. On 5 June 2025, in accordance with Article R55 of the CAS Code, the Respondent filed his Answer.
- 26. On the same day, the CAS Court Office, pursuant to Article R54 of the CAS Code and on behalf of the Deputy President of the CAS Appeals Arbitration Division, informed the Parties that the Arbitral Tribunal appointed to decide the present case was constituted as follows:
 - Sole Arbitrator: Mr Espen Auberg, Attorney-at-law in Oslo, Norway.
- 27. On 8 and 10 June 2025 respectively, the Parties informed the CAS Court Office that they do not request that a hearing be held in this matter and that the Sole Arbitrator may render an arbitral award based on their written submissions.
- 28. On 11 June 2025, on behalf of the Sole Arbitrator, the CAS Court Office confirmed that the Sole Arbitrator did not consider necessary to hold a case management conference or a hearing and was satisfied to decide the matter solely based on the Parties' submissions.
- 29. On the same day, the CAS Court Office issued an Order of Procedure, which was duly signed and returned by the Parties on 16 June 2025. By signing the Order of Procedure, the Parties confirmed that their right to be heard had been respected.

IV. SUBMISSIONS OF THE PARTIES AND REQUESTS FOR RELIEF

30. This section of the Award does not contain an exhaustive list of the Parties' contentions. Its aim is to provide a summary of the substance of the Parties' main arguments. In considering and deciding upon the Parties' claims in this Award, the Sole Arbitrator has accounted for and carefully considered all of the submissions

made and evidence adduced by the Parties, including allegations and arguments not mentioned in this section of the Award or in the discussion of the claims below.

A. IFA's Submissions

- 31. The IFA's submissions, in essence, may be summarized as follows:
 - The termination of the Contract was made within the prescribed period stipulated in Clause 10.3 of the Contract, as an official notice was issued on 1 October 2024. FIFA PSC interpreted that the notice should precede termination by 30 days, a restrictive interpretation inconsistent with the wording of the clause.
 - The Head Coach of the IFA's National Team, Mr. Jesús Casas, explicitly requested the removal of the Coach from the coaching staff and nominated a replacement. This request was both verbal and written, and a new coach was later contracted.
 - The Contract establish that the Coach was engaged as a "Fitness Coach", a technical support position directly subordinate to the Head Coach. His AFC certification is only at Fitness Level 2, which does not authorize him to operate independently. Furthermore, Clause 10 of the contract explicitly links the termination of the Head Coach to the termination of the assistant staff, confirming the subordinate nature of his position.
 - In the Appealed Decision the Coach was awarded an amount that disregarded the presence of a valid termination mechanism in Clause 10.3, the absence of any contractual breach by the IFA and the fact that the termination resulted from a professional decision by the Head Coach.
 - Documents and communications demonstrate that the Coach's salary was suspended as early as August 2024 and that his bank account was deactivated. His message to the IFA's president on 17 September 2024 stated that he had been removed from his duties and had not received his salary, constituting de facto prior notice.
 - IFA had arranged a flight for the Coach on 13 June 2024, confirming its good faith and commitment to logistical arrangements. The Coach had also been informed as early as June 2024 that he was to be replaced.
- 32. On these grounds, the IFA made the following request for relief:
 - "1. Admit this appeal both formally and substantively;
 - 2. Annul the FIFA Players' Status Chamber decision dated 28 January 2025;
 - 3. Declare that the termination of Mr. Sanchis' contract was lawful and in accordance With Clause 10.3;

- 4. Reject the claim for compensation beyond 4 November 2024;
- 5. Order the Respondent to bear all legal costs and arbitration fees;
- 6. Alternatively, should the Panel find Clause 10.3 unenforceable, we respectfully request that compensation be calculated in accordance with Article 6, Annex 2 of the FIFA RSTP, taking into account prior payments and the duty to mitigate damages."

B. The Coach's Submissions

- 33. The Coach's submissions, in essence, may be summarized as follows:
 - The Coach signed the Contract to serve as the national team's assistant coach, not as a fitness coach.
 - Clause 10.3 of the Contract is subject to the fulfilment of a 30-day notice requirement, a condition the IFA failed to observe. Failing to comply with the 30-day notice requirement renders Clause 10.3 inapplicable for determining the consequences of the premature termination of the Contract.
 - The Coach's separation from the technical staff on 22 August 2024 did not constitute an 'implicit and substantiated prior notice', as asserted by the IFA. The Coach's messages the IFA's President on 17 September 2024 sought clarification from the IFA regarding his professional status. The absence of any response, apart from the immediate termination communicated on 1 October 2024, demonstrates the lack of prior notice.
 - The Appealed Decision rightly concluded that the conditions necessary for calculating compensation under Clause 10.3 were not formally met. Therefore, the consequences outlined in that clause were inapplicable. The notice period is not an excessive prerequisite and cannot be regarded as a formalistic interpretation. The interpretation adopted in the Appealed Decision was not restrictive but aligned with the clarity of the wording of the clause and the Parties' contractual intentions.
 - Clause 10.3 of the Contract is incompatible with the principle of contractual stability regulated in Articles 3 and 4 of Annexe 2 of the FIFA RSTP and contravenes the Swiss Code of Obligations provisions.
 - In accordance with FIFA RSTP an employment contract may only be terminated without legal consequences when just cause exists. There is no right to terminate an employment contract without just cause, nor may the parties validly agree to confer such a right.
 - Clause 10.3 of the Contract allows the IFA to undermine the principle of contractual stability by avoiding the risk of paying substantial compensation to the Coach in the event of a premature contract termination without just cause. This

provision unilaterally favours the IFA by granting it a potential right to terminate without just cause and without incurring any financial liability.

- Clause 10.3 is manifestly disproportionate as the residual value of the Contract significantly exceeds the amount stipulated as liquidated damages. This imbalance is also in direct violation of the principle of contractual stability and proportionality.
- Furthermore, Clause 10.3 contravenes Article 337c of the Swiss Code of Obligations ("SCO"), which is an absolute mandatory provision as stated in Article 362 SCO, and the substantive law applicable to the Contract.
- The parties to an employment contract may agree on the amount of compensation payable in the event of breach, provided that such agreement does not fall below the minimum threshold established by law, namely, the residual value of the contract.
- By permitting the IFA to terminate the Contract in September or October of any given year by paying only the remuneration due until 4 November of that same year, Clause 10.3 effectively circumvents the legal minimum compensation. As such, it is null and void and was rightly disregarded by FIFA PSC when assessing the consequences of the termination without just cause.
- Article 341 (1) SCO protects all rights accrued by the employee during the employment relationship, including those arising from the termination of the contract. Clause 10.3 of the Contract, insofar as it limits the employee's right to compensation following the IFA's termination without just cause constitutes a textbook example of a waiver prohibited under Article 341 (1). SCO. Accordingly, it must be deemed null and void.
- Clause 10.3 of the Contract is also null and void under Article 100 (1) SCO, which prohibits the prior exclusion of liability for unlawful intent or gross negligence, such as the termination of the employment relationship without just cause.
- The facts of this case clearly demonstrate the IFA's unlawful conduct towards the Coach, who was removed from the coaching staff and relieved of his duties without any explanation prior to the termination, an action that violated his fundamental rights under the Contract Furthermore, instead of responding to the Respondent's repeated notices, the Appellant opted to terminate the Contract without providing any prior notice and without having a valid reason to terminate the Contract.
- Even assuming that Clause 10.3 constitutes a valid liquidated damages provision, the Coach is not precluded from claiming additional damages pursuant to Article 161 (2) of SCO. While the amount set as liquidated damages is, in principle, intended to cover the consequences of a contractual breach, Article 161 (2) SCO

expressly allows the creditor to seek supplementary compensation if the actual damage exceeds the agreed amount and the debtor is shown to have been at fault. The damage suffered by the Coach significantly exceeds the amount specified in the liquidated damages clause of the Contract, as he has remained unemployed since it was terminated by the IFA.

- With regards to the Consequences of the termination of the Contract the Coach accepts the determination made in the Appealed Decision regarding the consequences arising from the termination of the Contract without just cause.
- 34. On this basis, the Coach made the following request for relief:
 - "- The Iraqi Football Association's appeal against the FIFA Players' Status Chamber decision of 28 January 2025 (ref. no FPSD-17065) is fully dismissed and rejected.
 - The FIFA Players' Status Chamber decision of 28 January 2025 (ref. no FPSD-17065) is fully confirmed.
 - The Iraqi Football Association is ordered to pay the entire costs of these arbitration proceedings.
 - The Iraqi Football Association is ordered to pay the Respondent a contribution towards legal costs incurred by him as a result of these arbitration proceedings, in an amount to be determined at the discretion of the Sole Arbitrator."

V. JURISDICTION

- 35. The Sole Arbitrator notes that the Appealed Decision was issued by the FIFA PSC. The jurisdiction of CAS derives from Article R47 of the CAS Code, which reads:
 - "An appeal against the decision of a federation, association or sports-related body may be filed with 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 it prior to the appeal, in accordance with the statutes or regulations of that body."
- 36. Furthermore, Article 50 (1) of FIFA's Statutes (May 2024 Edition), determines as follows:
 - "Appeals against final decisions passed by FIFA and its bodies shall be lodged with CAS within 21 days of receipt of the decision in question."
- 37. The jurisdiction of CAS is not contested by the Respondent and is further confirmed by the Order or Procedure duly signed by both Parties.
- 38. It follows that CAS has jurisdiction to adjudicate and decide on the present dispute.

VI. ADMISSIBILITY

39. Article R49 of the CAS Code provides as follows:

"In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or in a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against. The Division President shall not initiate a procedure if the statement of appeal is, on its face, late and shall so notify the person who filed the document."

- 40. The FIFA Statutes provide that appeals must be made within 21 days of receipt of the decision being appealed.
- 41. The Appealed Decision was communicated to the Parties on 10 March 2025.
- 42. The IFA filed its Statement of Appeal on 29 March 2025 and, therefore, within 21 days from the communication of the Appealed Decision. The IFA completed its appeal per the terms of Article R48 and R51 of the CAS Code and within the deadline set by the CAS Court Office for it to do so. The appeal complied with all of the requirements of Article R47 et seq. of the CAS Code, including the payment of the CAS Court Office fee.
- 43. It follows that the appeal is admissible.

VII. APPLICABLE LAW

44. Article R58 of the CAS Code provides as follows:

"Law Applicable to the Merits. The Sole Arbitrator 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 that the Sole Arbitrator deems appropriate. In the latter case, the Sole Arbitrator shall give reasons for its decision."

- 45. Clause 14 of the Contract states that it shall be governed by Swiss law.
- 46. The Appealed Decision was issued by the FIFA PSC in accordance with Article 49 (2) of the FIFA Statutes, which provides as follows:
 - "The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law."
- 47. Applying these principles to the present matter, the dispute shall primarily be decided according to the applicable regulations, i.e. the various regulations of FIFA. Considering that the dispute was brought to FIFA on 13 November 2024 and FIFA

PSC rendered a decision on 28 January 2025, the January 2025 edition of FIFA RSTP shall apply on the basis of the transitional provision contained in Articles 26 and 29 of said FIFA Regulations. Swiss law shall be considered subsidiarily in case of lacuna in the various regulations of FIFA.

VIII. MERITS

A. The Main Issues

i. Preamble

- 48. The Sole Arbitrator notes that the case concerns an employment related dispute between a football coach and a football association, more specifically if the IFA was entitled to unilaterally terminate the Contract in accordance with its Clause 10.3.
- 49. Consequently, the main issues to be resolved by the Sole Arbitrator are:
 - i. Was the IFA entitled to unilaterally terminate the Contract in accordance with its Clause 10.3?
 - ii. What are the consequences of the IFA's unilateral termination of the Contract?
- 50. Before turning to these issues, the Sole Arbitrator notes that the Parties have different views concerning the facts of the case. In this regard, Article 8 of the Swiss Civil Code provides with respect to burden of proof that: "Unless the law provides otherwise, each party shall prove the facts upon which it relies to claim its right."
- 51. This principle has been applied in previous CAS awards, hereunder in the case CAS 2020/A/6796 (paragraph 98) where the panel stated as follows:
 - "[I]n 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".
- 52. In this respect, pursuant to Article 8 of the Swiss Civil Code, it is the party that wishes to establish a fact that has the burden of proving the alleged fact that it relies its claim upon.

ii. Was the IFA entitled to unilaterally terminate the Contract in accordance with its Clause 10.3?

- 53. The issue of whether the IFA entitled to unilaterally terminate the Contract in accordance with its Clause 10.3 must be assessed based on an interpretation of the said clause, primarily seen in connection with applicable FIFA regulations.
- 54. In the Termination Letter, sent from the president of the IFA to the Coach on 1 October 2024, IFA referred to Clause 10.3 of the Contract and stated that the Contract "has been terminated.".
- 55. As IFA's unilateral termination of the Contract was solely based on Clause 10.3 of the Contract, the Sole Arbitrator will first assess whether the conditions for unilaterally terminating the Contract based on said clause were fulfilled.
- 56. Clause 10.3 of the Contract stipulates, in essence, that the IFA may terminate the Contract without just cause given that two cumulative conditions are met. Firstly, the termination under this clause must be made during September or October each year, and secondly, the termination under this clause must be notified in advance through a 30-day notice.
- 57. The termination was indeed made during the month of October as the Termination Letter was sent on 1 October 2024, and as such, the Sole Arbitrator holds that the first condition for termination under Clause 10.3 was met.
- 58. Regarding the second condition, i.e. that the termination must be notified in advance through a 30-day notice, the Sole Arbitrator notes that the Termination Letter's subject is "Notification of Terminating the Contract" and that the letter states that the Contract "has been terminated". The wording of the Termination Letter clearly indicates that the Contract either already had been terminated when the Termination Letter was sent, or that the Termination Letter served as the termination of the Contract. Consequently, the employment relationship between the Parties ended on 1 October 2024 at the latest. For the second condition to terminate the Contract pursuant to its Clause 10.3 to be fulfilled, it must be established that the IFA had notified the Coach of the termination in advance through a 30-day notice, i.e. before 1 September 2024.
- 59. With regard to the IFA's argument that the Parties' behaviour prior to the IFA issuing the Termination Letter, hereunder the IFA suspending the Coach's salary as early as August 2024, the deactivation of his bank account, the Coach's WhatsApp messages to the IFA's President on 16 and 26 September 2024 where he stated that he had been removed from his duties and had not received his salary, constituted *de facto* a prior notice, the Sole Arbitrator firstly notes that the IFA's claim that the Coach deactivated his bank account prior to receiving the Termination Letter is disputed by the Coach and remains unsubstantiated. Consequently, the Sole Arbitrator holds that the IFA

has not fulfilled its burden of proving that the Coach deactivated his bank account prior to receiving the Termination Letter.

- 60. The Sole Arbitrator holds that the Parties' behaviour prior to the IFA issuing the Termination Letter on 1 October 2024 cannot be considered as an "implicit and substantiated prior notice" as claimed by the IFA. As noted above, in order for the second condition to terminate the Contract pursuant to its Clause 10.3 to be fulfilled, it must be established that the IFA had notified the Coach of the termination in advance through a 30-day notice, i.e. before 1 September 2024. As such, the Parties' behaviour after 1 September 2024 is irrelevant for this consideration. In general, an employer's main obligation towards its employees is to pay salaries. However, the failure to pay one monthly salary, i.e. for August 2024, cannot serve as a prior notice for the termination of the Contract. Furthermore, the Coach's WhatsApp messages to the IFA's President on 16 and 26 September 2024 indicate that the Coach sought clarification with regards to his status at the IFA and cannot be considered as an acceptance that he had been notified that his employment relationship with the IFA would be terminated.
- 61. Against this background the Sole Arbitrator holds that the second condition for the IFA to validly terminate the Contract pursuant to its Clause 10.3, i.e. that the IFA had notified the Coach of the termination in advance through a 30-day notice, was not fulfilled.
- 62. As both of the two cumulative conditions for terminating the Contract in accordance with its Clause 10.3 were not fulfilled, the Sole Arbitrator holds that the IFA's termination on 1 October 2024 was unjustified.
- 63. Having concluded that the IFA's termination of the Contract on 1 October 2024 was unjustified, it is not necessary for the Sole Arbitrator to assess whether Clause 10.3 of the Contract is incompatible with FIFA regulations and/or Swiss law.
 - iii. What are the consequences of the IFA's unilateral termination of the Contract?
- 64. Having determined that the IFA's termination of the Contract on 1 October 2024 was unjustified, it is now up to the Sole Arbitrator to determine the consequences thereof.
- 65. Firstly, in accordance with the principle of *pacta sunt servanda*, the Coach is entitled to the amount owed to him by the IFA at the time it unilaterally terminated the Contract. In this regard, the Sole Arbitrator notes that when the IFA terminated the Contract, the IFA had failed to pay one monthly salary, for the month September 2024, in the total amount of USD 5,416.67. This claim has not been disputed by the IFA, and the Sole Arbitrator holds that the Coach is entitled to the said amount. Consequently, the Coach is entitled to USD 5,416.67 as outstanding remuneration.

- 66. Secondly, the Coach is in principle entitled to compensation pursuant to Article 6 (2) of Annexe 2 to the FIFA RSTP, as the IFA terminated the Contract without just cause.
- 67. Article 6 (2) of Annexe 2 to the FIFA RSTP provides that compensation for breach of contract may be provided for in the contract. In this regard, the Sole Arbitrator notes that Clause 10.4 of the Contract stipulates that, in case the IFA unilaterally terminates the Contract without just cause, it would be obliged to pay the remuneration owed to the Coach until 4 November the same year. As the Contract was terminated on 1 October 2024, the said clause indicates the IFA would be obliged to pay salaries for October 2024 and four days of November 2024, i.e. one month and four days. In comparison, the residual value of the Contract was equivalent to 25 monthly salaries, i.e. until 4 November 2026.
- 68. The Sole Arbitrator further notes that the Contract does not contain similar provisions limiting the Coach's liability if he unilaterally terminates the Contract without just cause.
- 69. As a starting point the Sole Arbitrator notes that in general, within the framework of the parties' autonomy, parties to a contract may agree on terms, hereunder a liquidated damages clause, that regulate the parties' rights and obligations if the contract is unilaterally terminated by a party without just cause. However, in accordance with CAS jurisprudence liquidated damages clause may be incompatible with the general principles of contractual stability and considered null and void if the reciprocal obligations it sets forth actually disproportionately favor one of the parties and gives it undue control over the other party. In CAS 2022/A/9165 the Panel stated as follows (paragraph 195):

"However, the principle of contractual freedom and stability is not absolute. In order for a liquidated damages clause to be valid, essentially three cumulative requirements shall be met: (i) the clause shall be written in a clear and unequivocal manner; (ii) there shall be no evidence of coercion or duress in conclusion of the clause; and (iii) the clause shall not demonstrate excessive commitment by one party that grants the other party undue control. Intervening with the parties' free will enshrined in a liquidated damages clause should be confined to exceptional cases. This would, in principle, apply in the case of excessive disproportionality i.e., a liquidated damages clause may be incompatible with the general principles of contractual stability and considered null and void if the reciprocal obligations it sets forth actually disproportionately favour one of the parties and gives it an undue control over the other party (see CAS 2019/A/6514)."

70. In CAS 2016/A/4852 the panel notes as follows (paragraph 70):

"Bearing in mind the purpose of Article 17 RSTP, the Panel considers the clause to be unilateral and potestative, for the benefit of the Appellant only and is therefore contrary to the regulations of FIFA. The Appellant is not at liberty to unilaterally terminate the Agreement at will and can only do so without consequence if there is just cause. This finding is in line with the established jurisprudence of the CAS (see CAS 2014/A/3675, para. 57, CAS 2005/A/983 & 984 and CAS 2008/A/1517). The Panel therefore fully accepts the finding of the FIFA DRC which deemed Article 5.10 of the Agreement null

- and void. Hence, Article 5.10 cannot be arbitrarily or validly invoked as a legal basis for a unilateral termination of the Agreement."
- 71. The Sole Arbitrator concurs with the panels in the abovementioned cases and notes that a liquidated damages clause shall be deemed null and void if it is unilateral and potestative, for the benefit of one party only.
- 72. In the case at hand, the Sole Arbitrator finds that Clause 10.4 of the Contract is potestative and only for the benefit of the IFA, since it gives the latter an undue and disproportionate right to the disadvantage of the Coach.
- 73. Consequently, the Sole Arbitrator finds that Clause 10.4 of the Contract is null and void and cannot serve as a basis for calculating the compensation due to the Coach.
- 74. Consequently, as the Parties have not validly regulated how compensation for the IFA's unilateral termination of the Contract without just cause shall be calculated, the compensation for breach of the Contract to be paid to the Coach by IFA is therefore to be determined in accordance with Article 6 (2) of Annexe 2 to the FIFA RSTP, which provides as follows:
 - "Compensation due to a coach
 - a) In case the coach did not sign any new contract following the termination of their previous contract, as a general rule, the compensation shall be equal to the residual value of the contract that was prematurely terminated.
 - b) In case the coach signed a new contract by the time of the decision, the value of the new contract for the period corresponding to the time remaining on the prematurely terminated contract shall be deducted from the residual value of the contract that was terminated early (the "Mitigated Compensation"). Furthermore, and subject to the early termination of the contract being due to overdue payables, in addition to the Mitigated Compensation, the coach shall be entitled to an amount corresponding to three monthly salaries (the "Additional Compensation"). In case of egregious circumstances, the Additional Compensation may be increased up to a maximum of six monthly salaries. The overall compensation may never exceed the residual value of the prematurely terminated contract. [...]"
- 75. Article 6 (2) of Annexe 2 to the FIFA RSTP provides a clear method of calculation. In essence, if a coach has not signed with a new employer, the coach shall be entitled to an amount equaling the remuneration for the remainder of the contract if such contract had been performed until its expiry. If the coach has signed a contract with a new employer, these salaries shall be deducted from the compensation.
- 76. The positive difference between the value of the old contract and the new contract in the corresponding time frame, is defined as "*mitigated compensation*". In addition to the mitigated compensation, the coach will automatically be entitled to three months' salary,

- defined as "additional compensation". Moreso, if the coach can establish egregious circumstances, the additional compensation may be increased from three up to maximum six-monthly salaries, although the overall compensation may never exceed the remaining value of the prematurely terminated contract.
- 77. The salaries for the remainder of the Contract shall be calculated from 1 October 2024 until 4 November 2026, i.e. 25 months and four days, corresponding to a total amount of USD 205,416.67 net. In other words, the residual value of the Contract amounts to USD 205,416.67 net.
- 78. After the termination of the Contract, the Coach has not signed a new employment. Consequently, no amount shall be deducted from the residual value of the Contract.
- 79. In addition, also in accordance with Article 6 (2) of Annexe 2 to the FIFA RSTP, the Coach is, in principle, entitled to three monthly salaries as "additional compensation". However, since the overall compensation may never exceed the residual value of the prematurely terminated contract, such additional compensation shall not be awarded.
- 80. In light of the above, the Coach is entitled to the following amounts:
 - USD 5,416.67 as outstanding remuneration;
 - USD 205,416.67 as compensation for breach of contract without just cause.
- 81. The Sole Arbitrator observes that the Coach requests CAS to adopt an award confirming the Appealed Decision. In the Appealed Decision, the Coach is awarded an interest of 5% per annum as of the due dates of each awarded amount. Interest rate is not regulated in the Contract, or in any regulations referred to by the Parties.
- 82. Article 73 of the Swiss Code of Obligations provides as follows:
 - "Where an obligation involves the payment of interest but the rate is not set by contract, law or custom, interest is payable at the rate of 5% per annum".
- 83. The interest rate defined in the abovementioned Article coincides with the interest awarded to the Coach in the Appealed Decision.
- 84. The IFA has not objected to application of this interest rate. Therefore, the Sole Arbitrator concludes that an interest rate of 5% per annum over the awarded amounts shall be awarded to the Coach.

B. Conclusion

- 85. Based on the foregoing, the Sole Arbitrator finds that:
 - The IFA's claim that it was entitled to unilaterally terminate the Contract pursuant to its Clause 10.3 is rejected.

- The Coach is entitled to a total amount of USD 210,833,34 corresponding to USD 5,416.67 as outstanding remuneration, and USD 205,416.67 as compensation for breach of contract without just cause.
- The Coach is awarded an interest rate of 5% per annum over the awarded amounts.
- 86. As the conclusions of the Sole Arbitrator coincides with the operative part of the Appealed Decision, the Appealed Decision shall be confirmed and the appeal shall be dismissed.

IX. Costs

(...)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

- 1. The appeal filed on 29 March 2025 by the Iraqi Football Association against the decision passed on 28 January 2025 by the Player's Status Chamber of the Fédération Internationale de Football Association's Football Tribunal is dismissed.
- 2. The decision passed on 28 January 2025 by the Player's Status Chamber of the Fédération Internationale de Football Association's Football Tribunal is confirmed.
- 3. (...).
- 4. (...).
- 5. All other and further motions or requests for relief are dismissed.

Seat of arbitration: Lausanne, Switzerland

Date: 11 August 2025

THE COURT OF ARBITRATION FOR SPORT

Espen Auberg Sole Arbitrator