

Decision of the Dispute Resolution Chamber

passed on 18 July 2025

regarding an employment-related dispute concerning the player
Hector Alexander Hevel

COMPOSITION:

Martín AULETTA (Argentina), Deputy Chairperson
Sihon GAUCI (Malta), Member
Calum BEATTIE (Scotland), Member

CLAIMANT:

Hector Alexander Hevel, Netherlands
Represented by Alejandro Pascual Madrid

RESPONDENT:

Guangxi Pingguo Haliao Football Club, China PR
Represented by Daniel Muñoz Sirera

I. Facts of the case

1. On 1 January 2024, the Dutch player, Hector Alexander Hevel (hereinafter: *the Player* or *the Claimant*), and the Chinese club, Guangxi Pingguo Haliao Football Club (hereinafter: *the Club* or *the Respondent*) entered into an employment contract (hereinafter: *the Contract*) valid from 1 January 2024 until 31 December 2025.
2. On 10 January 2025, the parties concluded a termination Agreement (hereinafter: *the Termination Agreement*) to terminate the Contract.
3. The Settlement Agreement read as follows (quoted *verbatim*):

" 1. The Parties wish, for the sake of an amicable solution, and in order to avoid any legal action, to definitely settle any and all issues related to the Employment Contract and any other prior contracts or relationship (if any) for an amount equal to the mentioned Outstanding Salaries (i.e. USD 76,666 net of taxes in China). Outstanding Amount (i.e. USD 1,300 net of taxes in China). Outstanding Bonuses (i.e. USD 9,800 net of taxes in China), the Expenses (USD 17,000 net of taxes in China) and a compensation for the early termination of the Employment Contract (i.e. USD 180,000 net of taxes in China), making a total of USD 284,766 (two hundred eighty four thousand seven hundred and sixty- six US Dollars) net of any taxes in China (hereinafter "Settled Amount"), to be paid by the CLUB to the PLAYER.

2. The Settled Amount shall be paid by the CLUB to the PLAYER in three installments as follows:

- a. USD 80,000 (eighty thousand US Dollars) by no later than 20 March 2025; and*
- b. USD 62,383 (sixty-two thousand three hundred and eighty-three US Dollars) by no later than 20 May 2025; and*
- c. USD 142,383 (one hundred and forty-two thousand three hundred and eighty-three US Dollars) by no later than 20 July 2025.*

3. All the amounts stated in the present Agreement refer to net of taxes amounts in China

4. The CLUB shall provide the PLAYER with the pertinent tax certificates related to the Settled Amount as well as to the Tax Certificates 2024 for USD 120,000 net, by no later than 20 July 2025.

5. The PLAYER shall within 2 (two) days after this Termination Agreement is signed to withdraw the FIFA Claim.

6. The Parties acknowledge and confirm that in case any installment of the mentioned Settled Amount is not fully paid on time and/or all the cited tax certificates are not provided correctly and on time, the PLAYER shall be automatically entitled to the full Settled Amount (deducing any amount already paid by the CLUB), plus a 25% (twenty five percent) penalty of the overdue amount.

7. The payment of the aforementioned amount shall be made to the following bank account and all bank transfer costs will be covered by the CLUB:

[voluntarily omitted – Player's bank coordinates]

8. Upon the full payment of the Settled Amount on time and the provision of all the tax certificates mentioned in article 4, this Termination Agreement is a full, final and satisfactory settlement of any and all obligations under the Employment Contract as well as any other contract or relationship they may have entered into previously. Therefore, the Parties agree in advance to waive any and all litigation pending, if any, and/or the right to initiate any litigation, arbitration, other legal action or application for any judicial process before any administrative, sportive and/or judicial courts or arbitration institution domestic or abroad.

9. To clarify, importantly, the CLUB agrees to pay a compensation for the early termination of the Employment Contract amounting USD 180,000 net of taxes in China, is on the premise that the CLUB is exempted to provide Party B the corresponding tax certificates related to the other amount of salary in 2024 other than the amount agreed in article 4. If Party B claims before or submits any petition to FIFA or Chinese tax authority or any other judicial body against Party A about the tax payment corresponding to Party B's salary in 2024, Party B shall refund such USD 180,000 as well as the paid tax corresponding to such USD 180,000 to Party A immediately.

10. Any notice given under this Agreement shall be in writing and shall be sent via email to the addresses shown above.

11. In the event that any provision contained herein shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement.

12. Any disputes arising from or relating to the present Agreement shall be submitted to the corresponding governing bodies of FIFA, which decision shall be final and binding, waiving the Parties in advance its right to a potential appeal.

13. This Agreement shall be valid upon the electronic signature and/or stamp of both Parties sent via email.

14. In case of any translation of this Agreement into Chinese, and in case of discrepancy between the English and Chinese versions, the English version shall prevail. "

4. On 21 March 2025, the Player put the Club in default of the instalment of art. 2(a) of the Termination Agreement due on 20 March 2025. In his notice of default, the Player requested the payment of USD 355,957.50 corresponding to the residual value of the Termination Agreement as per the acceleration clause of art. 6 of the Termination Agreement, as well as the application of a 25% penalty provided by the same article. The

Player also requested the tax certificates for 2024 and the tax certificates for the claimed amount in the notice of default. The Player granted 5 days to the Club to remedy the default

II. Proceedings before FIFA

5. On 27 March 2025, the Player filed the claim at hand before FIFA. A summary of the parties' respective positions is detailed below.

a. Position of the Claimant

6. The Player claimed outstanding remuneration against the Club as he stated that the Club failed to pay the first instalment of art. 2 para. a) of the Termination Agreement.
7. The Player stated that the Club did not answer his notice of default of 21 March 2025.
8. The Player asserted that the Club's failure to pay the first instalment of the Termination Agreement triggered the acceleration clause included at art. 6 of the Termination Agreement and that consequently the residual value of the Termination Agreement became due based on the principle of *pacta sunt servanda*.
9. The Player submitted that the jurisprudence of the Football Tribunal has repeatedly accepted the enforcement of acceleration clauses in case of default, and that a delay of one day in performing payment is sufficient to trigger such acceleration clause.
10. The Player also affirmed that the jurisprudence of the Football Tribunal allows for the enforcement of proportionate contractual penalty clauses, such as the one contained at art. 6 of the Termination Agreement, and that penalty clauses of 25% of the residual value of an agreement have been deemed proportionate. Therefore, the Player requested the amount of USD 71,191.50 net of any taxes in China as contractual penalty (i.e. 25% of USD 284,766 net of any taxes in China).
11. The Player also submitted that he is entitled to the tax certificates related to the claimed amounts as well the 2024 Tax Certificates over the amount of USD 120,000 as mentioned in the Termination Agreement.
12. The Player therefore made the following request for relief, quoted *verbatim*:

"As per the above, the Player requests the FIFA DRC:

- a. *To accept this claim against the Club.*
- b. *To condemn the Club to pay the Player the amount of **USD 284,766 (two hundred and eighty-four thousand seven hundred and sixty- six US***

Dollars) net of taxes in China as outstanding remuneration, plus interests on a 5% annual rate starting from 20 March 2025 until its effective payment.

- *Alternatively, in case any mitigation is applied, to grant the Player with the Additional Compensation in an amount equal to the Mitigated Compensation as per Article 17.1.N of the FIFA RSTP.*
- c. **To condemn the Club to pay the Player the amount of **USD 71,191.50 (seventy-one thousand one hundred and ninety-one US Dollars with fifty cents) net of taxes in China as penalty.****
- d. **To confirm any amount granted as “net of taxes in China”;**
- e. **To order the Club to provide the Player with the relevant **tax certificates** in the following way:**
 - *Tax Certificates for 2024 for the amount of USD 120,000; plus*
 - *Tax certificates over the Settled Amount.*

Alternatively, in case FIFA considers that either the Tax Certificates for 2024 for USD 120,000 and/or Tax certificates over the Settled Amount are a premature issue/s, we reserve our right to claim such tax certificates at the relevant time.
- f. **To impose the Club a ban on registering players, either national or international, until the full amounts are paid as per Article 24 of the FIFA RSTP;”**

b. Position of the Respondent

13. In its reply, the Club raised that as per the principle of *Ne bis in idem*, interest and a contractual penalty cannot be applied simultaneously.
14. Indeed, the Club’s position was to the effect that the penalty clause of 25% included in art. 6 of the Termination Agreement is excessive and disproportionate and shall be reduced as per art. 163 of the Swiss Code of Obligations.
15. In addition, the Club mentioned that since the contractual penalty included in the Termination Agreement is to be imposed over the residual value of the Termination Agreement, adding interest over the residual amount would amount to sanction the Club twice for its default, which would contradict the principle of *Ne bis in idem*.
16. Ultimately, the Club disputed the Player’s request for the tax certificates whether those related to the amounts due under the Termination Agreement or the 2024 Tax Certificates, as art. 4 of the Termination Agreement provided that the tax certificates would be due “by

no later than 20 July 2025." In that sense, the Club considered that this part of the claim was premature.

17. The Respondent's requests for relief, were the following, quoted *verbatim*:

" In view of all the above legal and factual arguments, we hereby kindly request this honourable Dispute Resolution Chamber of the FIFA Football Tribunal:

1. *To accept the present answer of **GUANGXI PINGGUO HALIAO FOOTBALL CLUB CO., LTD** against **HECTOR ALEJANDRO HEVEL SERRANO**.*
2. *To dismiss the claim of **HECTOR ALEJANDRO HEVEL SERRANO** against **GUANGXI PINGGUO HALIAO FOOTBALL CLUB CO., LTD**.*
3. *To decide that the penalty of 25% is grossly excessive and that **GUANGXI PINGGUO HALIAO FOOTBALL CLUB CO., LTD** is not liable to pay such a high penalty.*
4. *To decide that **GUANGXI PINGGUO HALIAO FOOTBALL CLUB CO., LTD** is not liable to pay interest to **HECTOR ALEJANDRO HEVEL SERRANO** under the claim filed by it.*
5. *To decide that **GUANGXI PINGGUO HALIAO FOOTBALL CLUB CO., LTD** is not liable to provide any tax certificates to **HECTOR ALEJANDRO HEVEL SERRANO**.*

In any case

6. *To decide that no sporting sanction shall be imposed on **GUANGXI PINGGUO HALIAO FOOTBALL CLUB CO., LTD** as requested by **HECTOR ALEJANDRO HEVEL SERRANO** under the claim filed by it.*
7. *Order **HECTOR ALEJANDRO HEVEL SERRANO** to pay all the legal, advance and procedural costs arising from this procedure."*

III. Considerations of the Dispute Resolution Chamber

a. Competence and applicable legal framework

18. First of all, the Dispute Resolution Chamber (hereinafter: *the 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 27 March 2025 and submitted for decision on 18 July 2025. Taking into account the wording of art. 31 and 34 of the January 2025 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.
19. Furthermore, the Chamber referred to art. 2 para. 1 of the Procedural Rules and observed that in accordance with art. 23 par. 1 in combination with art. 22 para. 1 lit. b) of the Regulations on the Status and Transfer of Players (hereinafter: *the Regulations*) (July 2025 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 a Dutch player and a Chinese club.
20. 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. 29 of the Regulations, the July 2025 edition of the Regulations is applicable to the matter at hand as to the substance.

b. Burden of proof

21. The Chamber recalled the basic principle of burden of proof, as stipulated in art. 13 para. 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 para. 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

22. Having established the competence and the applicable regulations, 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 assessing the matter at hand.

i. Main legal discussion and considerations

23. The Chamber then moved to the substance of the matter and took note that it is undisputed that the Club has failed to pay the first instalment under art. 2 of the Termination when it fell due on 20 March 2025, and that the acceleration clause of art. 6 of the Termination Agreement applies to the present situation. The DRC, therefore, noted that there is no dispute regarding the Player's entitlement to USD 284,766 net of taxes in China.
24. However, the Chamber noted that the parties strongly dispute the validity of the 25% penalty clause of the residual value of the Termination Agreement, and the request that interest be applied over the outstanding amount made by the Player.
25. On one hand the Player considered that the terms of the Termination Agreement were binding on the Club, emphasizing that art. 6 was mutually agreed upon, that the penalty clause should be enforced, and that interest began to accrue on the outstanding amounts from the date they became overdue.
26. To the contrary the Club disputed the validity of the penalty clause as it deemed it excessive and disproportionate and also contested the request for imposition of interest over the outstanding amounts made by the Player. The Club considered that the enforcement of the penalty combined with the application of interest would contradict the principle of *Ne Bis in idem*. In addition, the Club's position was to the effect that the Player's request for the tax certificates was premature.
27. In this context, the Chamber acknowledged that its task was to determine the validity of the contractual penalty and the interest to be awarded, as well as the validity of the request for the tax certificates.
28. For the sake of completeness, and despite that its application was undisputed, the Chamber reviewed the acceleration clause included in art. 6 of the Termination Agreement and confirmed its validity. Indeed, as per the longstanding jurisprudence of the Football Tribunal acceleration clauses are accepted. Therefore, the Chamber determined that the residual value of the Termination Agreement equivalent to USD 204,766 net of taxes in China, became due, once the Club defaulted on the payment of the first instalment of the Termination Agreement of USD 80,000 net of taxes in China, on 21 March 2025.
29. In that context, the Chamber noted that acceleration clauses such as the one included in art. 6 of the Termination Agreement have been recognized as valid by the longstanding jurisprudence of the Football Tribunal (*cf.* DRC Decision of 27 February 2025, Babel).
30. Regarding the acceleration clause, the Chamber also added that in accordance with the consistent jurisprudence of the Football Tribunal, the acceleration of subsequent payments upon the non-payment of an amount previously due as principal is a practice traditionally recognized and considered proportionate, insofar as it constitutes a security in benefit of

the creditor, since it encourages the debtor party to respect its financial obligations towards the creditor party.

31. The Chamber observed that the outstanding remuneration at the time of termination, coupled with the specific requests for relief of the player was USD 284,766 net of taxes in China.
32. As a consequence, and in accordance with the general legal principle of *pacta sunt servanda*, the Chamber decided that the Respondent was liable to pay to the Claimant USD 284,766 net of taxes in China
33. The Chamber then moved on to the analysis of the contractual penalty also included in art. 6 of the Termination Agreement. Recalling the longstanding jurisprudence of the Football Tribunal on contractual penalties, the Chamber considered that the 25% penalty clause was not disproportionate and could be enforced in the present case.
34. The Chamber noted that the contractual penalty as drafted in art. 6 of the Termination Agreement served as an incentive for the parties to comply with the terms of the agreement and was maintaining a proportionate penalty applicable only to the amounts remaining, taking into account the amounts already paid. In the present case, the Chamber confirmed that the penalty was applicable over the whole value of the Termination Agreement as the Club defaulted on the payment of the first instalment.
35. Therefore, the Chamber determined that the contractual penalty of 25% of the residual value of the Termination Agreement was proportionate and enforceable. Consequently, it decided to award USD 71,191.50 net of all taxes in China as contractual penalty (25% x USD 284,766 net of all taxes in China).
36. Following its analysis on the contractual penalty, the Chamber moved to the second contentious point between the parties, the imposition of interest over the outstanding amounts.
37. The Chamber observed that the Player requested that a 5% interest rate *p.a.* be applied over the claimed amounts.
38. In taking into consideration the Claimant's request as well as the constant practice of the Football Tribunal, the Chamber decided to award the Claimant interest at the rate of 5% *p.a.* as follows:
 - 5% interest *p.a.* over the amount of USD 80,000 net of all taxes in China as from 21 March 2025 until the date of effective payment; and
 - 5% interest *p.a.* over the amount of USD 204,766 net of all taxes in China as from 22 March 2025 until the date of effective payment.

39. For the sake of completeness, the Chamber also considered the Club's argument regarding the principle of *Ne bis in idem* and reaffirmed the longstanding jurisprudence of the Football Tribunal to the effect that interest cannot be imposed on contractual penalties.
40. Ultimately, the Chamber considered the Player's request for the tax certificates of the outstanding remuneration under the Termination Agreement, as well as the tax certificates for an amount of USD 120,000 due in 2024.
41. The Chamber recalled the wording of paragraph 4 of the Termination Agreement which stated, quoted *verbatim*:

"4. The CLUB shall provide the PLAYER with the pertinent tax certificates related to the Settled Amount as well as to the Tax Certificates 2024 for USD 120,000 net, by no later than 20 July 2025."

42. In that sense, the Chamber found the request for tax certificates premature and therefore did not award them.

ii. Compliance with monetary decisions

43. 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.
44. 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.
45. 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.
46. 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.

47. 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.

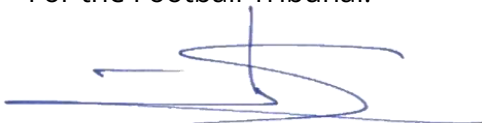
d. Costs

48. The Chamber referred to art. 25 para. 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.
49. Likewise, and for the sake of completeness, the Chamber recalled the contents of art. 25 para. 8 of the Procedural Rules and decided that no procedural compensation shall be awarded in these proceedings.
50. 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, Hector Alexander Hevel, is partially accepted.
2. The Respondent, Guangxi Pingguo Haliao Football Club, must pay to the Claimant the following amount(s):
 - **USD 284,766 net of all taxes in China as outstanding remuneration** plus 5% interest *p.a.* as follows:
 - 5% interest *p.a.* over the amount of USD 80,000 net of all taxes in China as from 21 March 2025 until the date of effective payment; and
 - 5% interest *p.a.* over the amount of USD 204,766 net of all taxes in China as from 22 March 2025 until the date of effective payment.
 - **USD 71,191.50 net of all taxes in China 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.

For the Football Tribunal:



Emilio García Silvero

Chief Legal & Compliance Officer

NOTE RELATED TO THE APPEAL PROCEDURE:

According to art. 50 para. 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., art. 17 of the Procedural Rules Governing the Football Tribunal).

CONTACT INFORMATION

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