

## Arbitration CAS 2008/A/1665 J. v. Udinese Calcio S.p.A., award of 19 May 2009

Panel: Mr. Rui Botica Santos (Portugal), President; Mr. José Juan Pintó (Spain); Mr. Michele Bernasconi (Switzerland)

Football

Time limit for the commitment of a club to engage an agent Interpretation of Article 12(2) of the FIFA Players' Agents Regulations

The provision in article 12(2) of the FIFA players' Agents Regulations is express, clear and unequivocal on the two-years time limit it imposes on the commitments assumed between agents and clubs and agents and players. It is irrelevant whether a club has, for instance, issued to an agent a written proxy to be used in the negotiations with third parties. The same provision does not require any "materialization" of the representation contract: even a contract, on the basis of which no transaction is concluded, is valid for a maximum period of two years only. The decisive factor is that the contractual relationship between an agent and his client shall be generally limited to a period of two years. The time limit imposed is not merely intended to protect the weak parties in a transaction, i.e. the players and not the clubs, but it is also intended to protect the clubs' interests against possible abuses by their managements, which involve the engagement of agents for long periods.

J. (the "Agent") is a licensed FIFA football agent and carries on the business of such around the world.

Udinese Calcio S.p.A ("Udinese" or the "Club") is an Italian professional football club registered as such under the Italian Football Federation. The latter is a member of Fédération Internationale de Football Association (FIFA).

This appeal was filed by the Agent against the decision rendered by the Single Judge of the FIFA Players' Status Committee passed on 11 December 2007 and notified to the Parties on 12 September 2008 (the "FIFA Decision").

By agreement signed on 12 March 1999 (the "Contract"), Udinese acquired from the Chilean Club de Deportes Santiago Wanderers ("Santiago Wanderers") the so-called federative rights and 50% of the economic rights of the professional football player P. (the "Player P.").

Under clause 7 of the Contract, the Parties agreed, that neither of them would transfer the Player P. to a third party without the express consent of the other, and that if either party received an offer from a third party club for the Player P. it was obliged to communicate such offer to the other for

purposes of arriving at an agreement for the selling and acquisition of the entire 100% federative and economic rights related to the Player P. Clause 7 of the Contract reads as follows:

"Until the  $30^{th}$  of June 2001, none of the parties could dispose in favour of any third party, totally or partially, of the rights they owe and correspond to them over the transfer of the player, as well as they could not do any cession to any third party in any way or modality.

From the 1st of July 2001, the transfer to third parties of the totality of the transfer of the player, and/or his cession of sporting services to another club, could only be done with the express and official agreement of both parties. Therefore, when a party receives an official offer for a third party for the definitive acquisition of the one hundred percent (100%) of the federative and economic rights of the transfer of the player, it should communicate officially to the other party, in order to dispose the selling of such rights on a common agreement. In case that no agreement is reached for the selling of the totality of their respective percentages on the price and conditions of the offer received, the party that is not accepting it shall be obligated to acquire to the party that was ready to sell the totality of its rights, paying them in the same way as the offer and in the conditions of such offer.

Once the absolute prohibition deadline is passed, thus from the 1<sup>st</sup> of July 2001 as per the first paragraph of this clause, no party could sell and/or cede to third parties totally or partially their percentage on the player's transfer, without having offered such possibility previously and officially to the other party, which will have a deadline of five (5) days to opt for such acquisition, giving the same economic conditions offered by the third party. After this deadline, without the exercise of such option, the other party will be free to dispose of its rights".

Udinese and Santiago Wanderers introduced the Agent into the Contract as a third party by agreeing on clause 8 as follows:

"To involve the Agent, on an exclusive basis, in any future transfer concerning the Player P. to another club;

For such an exclusive intervention, the Agent would be entitled to receive a commission of 10% for the gross price obtained from the future transfer of the Player P.;

To sign an irrevocable and renewable two year power of attorney in favour of the Agent to enable him to carry out the aforesaid exclusive intervention;

Failure by either party to engage the Agent in the Player P.'s future transfer negotiations would entitle the Agent to claim the aforesaid commission of 10% from the non fulfilling party".

## Clause 8 reads as follows:

"The ulterior cession and transfer, in base of any title, that shall be done on the transfer of the player, shall be negotiated, as an essential condition of this contract, through the exclusive intervention of the FIFA licences agent I., in the economic conditions that shall be fixed by the [Santiago Wanderers] and UDINESE, whom undertake to sign a whole, irrevocable and special power of attorney for two (2) renewable years, in order to carry it out. As a commission, the parties recognise to the FIFA Licensed Agent, J. the ten percent (10%) on the gross price obtained for the transfer. The non fulfillment of this obligation will give I. the right to claim to the contravener party the sum equivalent to the commission".

On 4 August 2000, Udinese acquired the remaining 50% of the Player P.'s economic and federative rights from Santiago Wanderers for an amount of USD 500,000.00 and became the Player P.'s official "owner" for a total fee of USD 2,300,000.00.

On 16 November 2000, the Agent entered into a two year representation contract with the Player P.

On 23 December 2000, the Agent and Udinese signed a document (the "Amended Contract") and agreed to amend the terms and conditions contained on clause 8 of the Contract.

Under this Amended Contract, a new commission was fixed and Udinese agreed to pay the Agent a 10% commission to be calculated on the basis of any transfer fee exceeding USD 2,300,000.00 which Udinese would receive from any new club in relation to a transfer of the Player P. In exchange, the Agent received an amount of USD 30,000.00 from the Club.

Clauses 1, 2 and 3 of the Amended Contract read as follows:

"(...)

"I." renounces to the percentage of 10% that correspond to him on any future transfer of the player P. up to the sum of 2,300,000 USA\$ (...), that coincide with the price to the total price paid by "Udinese" to Santiago Wanderers for the acquisition of the footballer P.

"Udinese" undertakes to pay "J." a commission of 10% only based on the superior sum that could be obtained for the transfer of the footballer P. in respect of the sum of \$USA 2,300,000 (...) already paid to Santiago Wanderers to acquire definitively P.

For such transaction, "Udinese" undertakes to pay to "J." the amount of \$USA 30,000 (...) at the presentation of a regulatory invoice".

This Amended Contract made no provision in relation to its duration and date of expiry.

On 10 June 2005, the Agent wrote to the Argentinean Football Association asking it to inform the Italian Football Association not to authorise any registration or transfer of the Player P. carried out by Udinese, if the said transfer was done without his exclusive intervention as agreed on clause 8 of the Contract.

On 6 July 2005, in reply to the Agent's letter dated 10 June 2005, Udinese sent a letter to the Italian Football Association, with a copy to the Agent, officially denying "(...) the absence of any pretention and/or right claimed by the FIFA Agent J. to an exclusive mediation on an eventual present or future negotiation for the cession and/or transfer of P., due to the fact that such a right acquired on the 12th March 1999 has been exhausted definitively and legally with the definitive acquisition of the footballer by Udinese Calcio S.p.A further on the 4th August 2000. In any case, the invoked right could not have gone further than the express agreed deadline of two years that begun on the 12 March 1999".

On 15 July 2005, Udinese entered into an agreement with Italian football club FC Internazionale Milano ("Internazionale Milano") and lent the Player P. for a loan fee of EUR 1,500,000.00. Under this agreement, Internazionale Milano had the option to purchase the Player P. on a permanent basis for an amount of EUR 9,000,000.00.

On 20 June 2006, Internazionale Milano exercised such option and signed the Player P. on a permanent basis, without the Agent's intervention.

On 11 October 2005, the Agent filed a claim against Udinese before FIFA's Players' Status Committee (the "PSC"), seeking the payment of USD 1,570,000.00 plus 5% interest in compensation from Udinese for having transferred the Player P. without his intervention. The Agent believed that the Player P. had been transferred for USD 18,000,000.00.

On 11 December 2007, the PSC dismissed the Agent's claim on the grounds that:

- In accordance with article 12(2) of the FIFA Players' Agents Regulations 2001 edition (the "FIFA Players' Agents Regulations") the Contract was valid for a period of two years.
- The Agent's mandate to participate in the transfer negotiations had terminated in December 2002, before the transfer to Internazionale Milano was effected.
- The Agent contravened the provisions of section 14(d) of the FIFA Players' Agents Regulations by having entered into another agency contract with the Player P. on 16 November 2000. The Agent was in a position of conflict of interest and the Contract and the Amended Contract are considered null and void.
- Clause 2 of the Contract contravened the provisions of article 18(4) of the FIFA Players' Agents Regulations which says that "(...) it is strictly forbidden for the club making the remittance to pay any of the amount, either partially or wholly, to the players' agent, not even as remuneration".
- The Agent had done no work which justified the payment of any commission.

The relevant paragraphs of the FIFA Decision, translated from its original Spanish text into English, read as follows:

"(...)

Analysing the amended contract the single judge reiterated that in accordance with section 18 paragraph [4] of the 2001 FIFA Players' Agents Regulation, any club which is paying a compensation to another club, must pay such compensation directly to the beneficiary club, and that it is totally prohibited to give any amount of money or part thereof to a player's agent (...).

(...) the litigating parties were not authorised to fix any remuneration in favour of the defendant which corresponds to a percentage of the transfer amount obtainable in case of the player's transfer to an ulterior club concerning the plaintiff of a player's agent. (...) the single judge determined that such contract shall be null.  $(\ldots)$ 

According to the plaintiff, its mandate to intervene in favour of the defendant had been extended by means of the agreement dated December 23<sup>rd</sup> 2000 (...) [and] the player (...) had been transferred to club FC

Internazionale Milano without the plaintiff's intervention. (...) the plaintiff was not entitled to receive any remuneration for a service which it had not rendered. (...)

- (...) the plaintiff had entered into a two year validity contract of representation with the player P. (...) when [the Agent] signed the agreement with the defendant, the plaintiff had two agreements related to rights of representation with two different parties, which were later involved in the player's transfer to FC Internazionale Milano.
- (...) pursuant to section 14 d) of the regulation, the single judge pointed out that the plaintiff's claims had no valid grounds. In fact, the single judge said that it was neither adequate nor justifiable or acceptable to say that representing first the interests of the defendant club and later the player's interests within the same transfer does not amount to a conflict of interests.
- (...) a contract of representation shall be limited to a two year term and may not be tacitly extended. It is not disputed that after December 23rd 2000 and before July 15th (the date on which the player was transferred to Internazionale Milano) no further agreement was signed between the plaintiff and the defendant. For this reason, even if the contract of December had been recognised as a contract of representation, such contract would have been of no validity in December 2002, which was well before the player's transfer to FC Internazionale Milano.
- (...) taking into consideration the abovementioned reasons, the Single Judge decided to reject the claim".
- On 29 September 2008, the Agent filed a Statement of Appeal against the FIFA Decision with the Court of Arbitration for Sport (CAS), pursuant to article 61 para. 1 of the FIFA Statutes.
- On 13 October 2008, the Agent filed the Appeal Brief wherein it states the facts and legal arguments on which the appeal is based, together with some documents and evidences upon which he intends to rely on.
- On 3 November 2008, Udinese filed its answer wherein it states the facts and legal arguments in reply to the appeal, together with all documents and evidence upon which it intends to rely on.

FIFA renounced to its right to intervene in the present arbitration proceeding.

In the Appeal Brief the Agent asked the Panel to compel Udinese to produce the following documents, which in its opinion, were crucial for purposes of enabling it and the CAS to know the exact amount of compensation due from Udinese:

- Any document related to the transfer of the Player P. to Internazionale Milano.
- A copy of the transfer contract between Udinese and Internazionale Milano related to the Player P.'s transfer from the Udinese to Internazionale Milano.
- A copy of the transfer/loan contract between Udinese and Internazionale Milano for the transfer/loan of the player Goran Pandey, from Internazionale Milano to the Udinese.
- A copy of the FIFA file.

On 26 January 2009, Udinese objected to the production of all the documents requested (except the FIFA file) on grounds that the said request was too broad, vague, lacked precision and was only aimed at looking for useful information in support and corroboration of the Agent's vague and fragile case. It also asserted that production of such documents would violate the principle of confidentiality in relation to its contractual agreement with Internazionale Milano because third parties would gain knowledge. It wanted the Agent to "(...) first (...) prove that he has an entitlement to a commission from the transfer of the Player from Udinese to FC Internazionale" and only after proving his rights to the commission would the Panel decide on the production of these documents.

On 9 February 2009, the Panel rendered its ruling in accordance with R44.3 of the CAS Code and:

- Requested FIFA to provide a complete copy of the file of the FIFA proceedings.
- Ordered Udinese to produce a copy of the transfer contract between it and Internazionale Milano related to the transfer of the Player P. on the grounds that the aforesaid document could be relevant.
- Rejected both the Agent's request for the production of a copy of the transfer/loan contract between Udinese and Internazionale Milano for the transfer/loan of the player Goran Pandev, and for the production of "any document related to the transfer of the player P. to FC Internazionale". However, the Panel reserved its right to request for any of the rejected documents at a later stage, if in the course of the proceedings it would turn out that any of the documents rejected existed and/or were relevant and useful to the case.

A hearing took place on 10 March 2009 at the CAS Court Office.

In his Appeal Brief, the Agent asked the CAS to:

- Accept the present appeal against the decision dated 11 December 2007 by the single judge of FIFA's Player's Status Committee.
- Adopt an award declaring the nullity of the said decision and adopting a new one declaring that the [Udinese] must pay the appellant a 10% of the exceeding amount from 2,300,000 US \$ up to the final transfer fee of the player P. made from Udinese to Internazionale Milano (which was estimated, according to the press to 18,000,000 US \$), including the value to be determined for the transfer of the player Goran Pandev.
- Fix a 5% interest to be added to the final sum due, from the date when the payment of commission should have been done by the [Udinese] (i.e. the date of the transfer to Internazionale Milano).
- Fix a sum, to be paid by the respondent, to the appellant, regarding its defence fees and costs of 30,000 *d*) CHF.
- Condemn the respondent to the payment of the whole CAS administration costs and the panel fees". e)

In its Answer to the Appeal, Udinese requested the CAS to issue orders in the following terms:

- To establish that the appeal is inadmissible, respectively,
- To reject the appeal; b)
- To confirm the challenged decision; c)

- *d*) To condemn the appellant to the payment in the favour of the respondent of the legal expenses incurred;
- To establish that the costs of the arbitration procedure shall be borne by the appellant". *e*)

#### LAW

## Applicable Law

Article R58 of the Code provides the following:

"The Panel shall decide the dispute according to the applicable regulations and the rules of law chosen by the parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which has issued the challenged decision is domiciled or according to the rules of law, the application of which the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision".

- 2. Article 60 par. 2 of the FIFA Statutes states:
  - "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".
- The subject matter of this dispute relates to a Contract dated 12 March 1999, amended on 23 3. December 2000 through which the Agent claims certain rights to represent Udinese in a future transfer of the Player P.
- The parties have not agreed on the application of any specific national law and, as a result, 4. FIFA regulations shall apply to the present dispute, supplemented by Swiss law, if necessary.
- 5. As per article 25 of the FIFA Players' Agents Regulations "any dispute submitted for decision after these regulations come into effect shall be settled in compliance with these regulations (...)". The present disputed was filed on 11 October 2005 and the 2001 edition of the FIFA Player's Agents Regulations was the one in place. The parties also confirmed this as the law applicable to the dispute in the Order of Procedure and at the hearing in Lausanne.

### Jurisdiction of the CAS

- 6. The jurisdiction of CAS, which is not disputed, derives from articles 61.1 of the FIFA Statutes and article R47 of the CAS Code.
- 7. The parties confirmed the jurisdiction of CAS by signing the Order of Procedure.

8. It follows that the CAS has jurisdiction to decide this dispute. The mission of the Panel follows art. R57 of the CAS Code, according to which a Panel has full power to review the facts and the law of the case. Furthermore, the same article provides that a Panel may issue a new decision which replaces the decision challenges, set the decision aside or refer the case back to the previous instance.

## Admissibility

- 9. Udinese objects to the admission of this Appeal on the grounds that the Agent's claim is time barred. Udinese argues that the claim was filed before FIFA outside the two year limit fixed under article 22(3) of the FIFA Players' Agents Regulations and article 44 of the 2001 Regulations for the Status and Transfer of Players.
- Udinese does not agree with the PSC's reasoning according to which the facts leading to the dispute are to be seen in relation to the transfer of the Player P. from Udinese to Internazionale Milano.
- Udinese supports its disagreement with the PSC on the fact that "(...) assuming that the document of 23 December 2000 may have any legal effect (...) its legal effects had expired on 22 December 2002 (...) and thus as from this moment it is absolutely undisputed that no kind of contractual relationship had existed between the Appellant and the Respondent and the two years period for lodging any claim related to this document expired consequently the latest on 21 December 2004".
- 12. To decide this issue it is important to analyse the wording of the relevant provisions:
- Article 22.3 of the 2001 FIFA players' Agents Regulations reads:
  - "Complaints about the work of a player's agent shall be directed in writing to the national association concerned or to FIFA within 2 years of the incident in question and in any case no later than 6 months after the players' agent concerned has terminated his activities".
- 14. Article 44 of the 2001 Regulations for the Status and Transfer of Players reads:
  - "The FIFA Players' Status Committee shall not address any dispute under these regulations if more than two years have elapsed since the facts leading to the dispute arose".
- 15. Considering the wording of the abovementioned articles, the Panel's legal understanding of the two year limitation of time should be assessed in relation to the date when the "cause of action" of the dispute arose and not with reference to the dates when the Contract/Amended Contract was terminated, assuming that it would have any legal effects.
- The cause of action of the dispute is the alleged breach of the Contract, as amended by the Amended Contract. The alleged breach, according to the Agent, occurred on 15 July 2005 when the Player P. was transferred to Internazionale Milano.

- The PSC proceedings were filed on 11 October 2005 and the alleged breach took place on 15 July 2005. So, the Panel is of the opinion that the claim filed before FIFA was filed well within the two years period fixed under article 22(3) of the FIFA Players' Agents Regulations and article 44 of the 2001 Regulations on the Status and Transfer of Players.
- Consequently, the Panel rejects Udinese's request for the inadmissibility of the present claim and rules that the appeal is admissible.

# The Merits of the Appeal

- А. Regarding the subject matter of the dispute underlying this appeal
- The subject matter of this dispute is an appeal against the FIFA Decision, which decided the 19. claim made by the Agent against Udinese, in which he sought the payment of USD 1,570,000.00, plus default interest at the rate of 5% per annum.
- 20. The amount in question is in respect to the commission which the Agent claims to be entitled to in respect of the transfer of the Player P. to Internazionale Milano, in accordance with the obligations and commitments assumed by Udinese granting him exclusivity in a future transfer of the Player P.
- 21. The amount claimed by the Agent is calculated on the basis of the transfer fee, which he claims was the real fee for the transfer of the Player P. to Internazionale Milano (USD 18,000,000.00) and not on the basis of the amount provided in the contract for the transfer of the Player P. to Internazionale Milano (USD 9,000,000.00).
- 22. The Agent also claims that the fee for the transfer of the player Pandev from Internazionale Milano to Udinese should be taken into consideration, in addition to the sum of USD 9,000,000.00, i.e. the "payment in kind", represented by the transfer of the player Pandev in the context of the acquisition of the Player P. by Internazionale Milano.
- 23. The date when the Agent claims that his right accrued does not also coincide with the date when Internazionale Milano exercised its option to purchase the Player P.
- The Agent's claim was first made to FIFA on 11th October 2007, i.e. after the signing of the 24. contract to loan the Player P. to Internazionale Milano and prior to the exercise by Internazionale Milano of the option to purchase the Player P. The Agent explained this fact at the hearing in Lausanne by stating that the loan of the Player P. combined with an option to purchase, amounted per se to a definitive transfer, as a major club such as Internazionale Milano never takes players, such as the Player P., who amounted to an important added-value, on loan. For this reason, the Agent clarified that he decided to commence the formal proceedings before FIFA even prior to the definitive transfer of the Player P. to Internazionale Milano.

- В. Regarding the main evidence adduced in this appeal and the evidential value thereof
- The Panel wishes first to comment on the evidence produced by the Parties, which includes 25. the evidence produced in the FIFA proceedings.
- In addition to the documentary evidence considered below, the Agent also filed written 26. statements of the following witnesses: R.; G.; M.; C. and E. The first three of the said witnesses were examined and cross-examined.
- In relation to the value of the witness testimonies given, the following considerations shall be made.
- 28. The Panel decided not to take the written statements of C. and E. into consideration, as they did not appear at the hearing in Lausanne. The absence of these witnesses meant that the Panel was unable to directly and personally consider and evaluate the circumstances under which the witness statements were produced and the nature of the knowledge of the witnesses in question. The fact that Udinese was unable to cross-examine these witnesses was also a factor which was taken into consideration in the decision not to take the written statements of these witnesses into consideration.
- In the evaluation of the statement of the witness R. the Panel notes that the witness worked 29. jointly with the Agent as the representative of the Player P., from 16 November 2000 to 15 November 2002. This circumstance reveals the existence of a "partnership" relationship between the witness and the Agent. Even though the witness clarified at the hearing that his intervention was limited to being the Player P.'s lawyer, it is a fact that the text of the power of attorney lodged with the defence filed by Udinese contains no limitation or separation of powers, or the financial terms on which the Agent and the witness should represent the Player P.
- In the evaluation of the statement of G. the Panel notes the very close professional relationship between G. and the Agent. Even if the said relationship does not, as the witness stated, amount to complete financial dependence on the Agent, it nevertheless amounts, in the Panel's opinion, to a situation in which the full independence, impartiality and rigour of his evidence is questionable.
- Finally, and in so far as the witness M. is concerned, the Panel considers that his evidence is rather irrelevant as the witness has no direct knowledge of the facts regarding the issues at stake. It was also unclear whether or not the witness was working for Udinese on the date the Contract was signed.
- In relation to the documentary evidence produced, the following shall be highlighted: The Panel does not consider the extracts of various media to be per se sufficient, complete and credible evidence. The Panel was unable to establish who the authors and what the sources and circumstances under which the news reproduced were, so as to be able to consider the

veracity, accuracy and rigour of the information conveyed. As an example, the Panel refers to the fact that the news item published on the "El Mecurio de Valparaiso" website on the 5 June 2003, states that the Agent was, as from that date, the Player P.'s representative ("(...) Conversaciones que tendrán como protagonistas a los directivos del Udinese, al jugador y, desde hoy, a su representante [I. (...)"), when the Agent himself admits that he ceased to represent the Player P. in November 2002.

- 33. In any event, the Panel notes that the fundamental issue in the dispute is related to the differing interpretations and legal evaluations made by the Parties of the Contract and the Amended Contract, in the context of the applicable law. The issue is accordingly primarily and eminently legal.
- 34. The Panel's position in relation to the documents considered to be fundamental to the consideration of this appeal is as follows.
- 35. The Agent essentially bases his claim on the signing of the Contract, i.e. on clause 8 thereof, which, according to the translation into English lodged by the Agent, which translation was not challenged by Udinese, provides as follows:
  - "The ulterior cession and transfer, in base of any title, that shall be done on the transfer of the player, shall be negotiated, as an essential condition of this contract, through the exclusive intervention of the FIFA Licensed Agent I., in the economic conditions that shall be fixed by [Santiago Wanderers] and Udinese, whom undertake to sign a whole, irrevocable and special power in his favour for two (2) renewable years, in order to carry out it. As a commission, the parties recognize to (...) J. the ten per cent (10%) on the gross price obtained for such transfer. The non-fulfilment of this obligation will give (...) I. the right to claim to the contravener party the sum equivalent to the commission" (our underlining).
- The Agent claims that this clause gives him the exclusive right to represent Udinese and Santiago Wanderers in any future transfer of the Player P. and that the said clubs agreed to grant him the corresponding power of representation.
- Udinese states, in defense of its position, that the interpretation of clause 8 of the Contract 37. should be done in the context of the other clauses, i.e. clause 7, which, as can be seen from the terms thereof in part II of this Award, makes the transfer of the Player P.'s rights subject to agreement between the parties on a future and uncertain date after 1 July 2001.
- The legal nature of Clause 8 of the Contract is unclear. One could argue that Clause 8 is 38. simply a part of the bilateral agreement between Udinese and Santiago Wanderers and that those two Parties, for whatever reason, undertook to each other, to use the services of a certain person, the Agent. But one could also argue that Clause 8 is entered into for the benefit of a third party, the Agent, giving to such third party an own right to claim a certain performance. Further, if this second line of argument would be followed, one should clarify whether the entitlement of the third party is limited to a future mandate or whether such mandate enters into force already with the conclusion of the agreement, i.e. here in the Contract.

- 39. However, for reasons to be explained in the following paragraphs, the question whether Clause 8 of the Contract does grant to the Agent a right to act as a contractual representative or not, can be left open.
- On 23 December 2000, the Amended Contract was signed between Udinese and the Agent. In this agreement the role of the Agent was reaffirmed and the terms of the remuneration which the Agent was entitled to in relation to the future transfer of the Player P. were reviewed. At the latest by signing and accepting such Amended Contract, the Agent became a party to the legal relationship.
- The other terms of clause 8 of the Contract, which were not amended by the Amended Contract remained valid and in force and all the other clauses of the Contract, e.g. clause 7, which stipulated the agreement not to transfer the player before 30 June 2001, lost their legal relevance, as a consequence of the concentration of all of the Player P.'s (federative and economic) rights in Udinese.
- Udinese claims that the Amended Contract is of no legal effect ("has no legal force") because its 42. agreement thereto was vitiated.
- Udinese claims that its professional relations with the Agent had deteriorated and that what it 43. simply describes as a "document" was "signed in a forced and reluctant manner (...) due to the huge pressure", as it states in its answer.
- In the words of Udinese, the Agent used the good relations he had with the Player P. to press 44. for the signing of the Amended Contract. Udinese claims that it had no intention of granting the Agent any mandate or financial benefits when it signed the Amended Contract, as did in fact happen.
- Udinese did not adduce any evidence regarding the existence of the vitiation of its intention to 45. contract, as it should have done. The Panel accordingly finds that the facts pleaded by Udinese in this regard have not been proved.
- 46. The other documents filed by the Parties as evidence, which were also taken into due consideration by the Panel in this decision, are as follows:
  - The Notice given by the Agent to the Players Registration Department of the Asociación del Futebol Argentino, dated the 10 June 2005, in which he requests that it informs:
  - The Italian Football Federation, of which the Club (the owner of the Player's federative transfer rights) is a member, "of the existence of such exclusive and irrevocable authorization given (...) requiring it that besides it does without the mediation of the AFA Player's Agent J. in any of the operation that may happen".
  - The AFA Players Agent H., to whom the Player P.'s granted a representation mandate, "(...) of the existence of the exclusive and irrevocable authorization (...) in the ulterior cession and transfer, at any title, of the transfer of the [Player P.]".

- A letter from Udinese dated 6 July 2005, addressed to the Italian Football Federation, with a copy to the Agent, regarding the Agent's claim for the commission, which he claims is due to him pursuant to the provisions of clause 8 of the Contract. In reply to this Udinese says as follows, in summary:
- Udinese rejects the existence of any legal or contractual grounds for the Agent's claim "(...) due to the fact that such a right acquired on the 12 March 1999 has been exhausted definitively and legally with the definitive acquisition of the footballer by Udinese (...) further on the 4th August 2000".
- The time-barred nature of the Agent's alleged right after the expiry of two years after the 12 of March 1999.
- The non-existence of any mandate granted to the Agent by Udinese, with a view to the former representing the latter in a future transfer of the Player P.: "(...) [the Club] has not given, further on, any power in favour of the FIFA Agent, J. who, in that case, is not legitimate to invoke and/or claim any right in any title for an exclusive or not mediation, of eventual negotiations regarding the cession and/or the transfer of the [Player]".
- *C*. Regarding the Agent's alleged claim
- 47. It is true that the Agent had the expectation, pursuant to what had been agreed with Udinese in the Amended Contract that he would represent Udinese in a possible future transfer of the Player P.
- 48. The Agent, however, pleads that Udinese did not grant him the real and true possibility to represent Udinese, i.e. to put in concrete terms the mandate. The said facts are to be considered, in view of the Agent, as a breach of contract: "(...) [t]he non fulfillment of this obligation will give (...) [the Agent] the right to claim (...) the sum equivalent to the commission".
- 49. The question therefore arises as to whether the performance of the contractual commitment assumed by Udinese could be demanded ad eternum, or whether the obligation so assumed was subject to a specific time limit.
- 50. In its defence, Udinese pleads the 2-year time limit in article 12(2) of the FIFA Players' Agents Regulations. The Agent pleads in turn that the said period only applies once the mandate has been granted, which never occurred.
- 51. The provision in article 12(2) of the FIFA players' Agents Regulations is express, clear and unequivocal on the time limit it imposes on the commitments assumed between agents and clubs and agents and players: "/s/uch contract shall be limited to a period of two years but may be renewed in writing at the express request of both parties. It may not be tacitly prolonged".
- 52. The question is whether this 2 years-time limit started to run at the conclusion of the Contract, or of the Amended Contract or, as argued by the Agent, did not start to run at all but was rather suspended.

- It is true that the mentioned art. 12(2) of the FIFA Players' Agents Regulations does limit the maximum duration of a representation contract: whether a club has, for instance, issued to an agent a written proxy to be used in the negotiations with third parties, seems to be irrelevant. Also, art. 12(2) does not require any "materialization" of the representation contract: even a contract on the basis of which no transaction is concluded, is valid for a maximum period of two years only. The decisive factor is that the contractual relationship between an agent and his client shall be generally limited to a period of two years.
- Accordingly, the Panel considers that the time limit of art. 12(2) also applies to a case like the present matter, where the Parties, at the latest with the Amended Contract, started a binding relationship, i.e. a representation contract. Were this not so, there would be great uncertainty regarding the validity of the commitment to engage an agent, when the provision of the mentioned FIFA regulations itself is intended to limit such a situation in terms of time. It cannot be said, as the Agent pleads, that the time limit imposed is merely intended to protect the weak parties in a transaction, i.e. players and not clubs. The two year period is also intended to protect the clubs' interests against possible abuses by their managements, which involve the engagement of agents for long periods.
- This is also confirmed by the fact that the Agent, as transparently confirmed by himself, 55. claiming to act on behalf of Udinese, made contacts with several clubs such as FC Juventus for the transfer of the Player P. during the validity of the Amended Contract. The Agent cannot therefore say at the same time that the mandate under the Amended Contract was suspended and that it had not started because in making contacts with FC Juventus, the Agent did so under the same mandate.
- The Player P. was only transferred on 15 July 2005, pursuant to a loan contract, and was definitively transferred on the 20 June 2006, pursuant to the exercise of the option to purchase. It has not been proved, on the basis of the evidence adduced and established, that there was any confirmation, renewal or extension of the engagement commitment. As such, the argument that the rights to represent Udinese in a future transfer of the Player P. were still in force at the time of the transfer (or the loan) of the Player P. to Internazionale Milano, fails for lack of legal and contractual grounds, respectively.
- The Agent has pleaded a variety of CAS case law in order to show that the two year time limit 57. only applies to cases in which the party that contracts with the agent is a player. With all due respect, the Panel considers otherwise. The wording of article 12 of the FIFA players' Agents Regulations does not distinguish between these circumstances and any other interpretation would be contra legem. The Panel also adds that the factual circumstances considered in the various CAS awards cited by the Agent in the Appeal Brief differ from the facts in this case.
- For all the above reasons, the Panel, after review of all the evidence submitted, is satisfied that the reference date for the calculation of the time barred nature of the commitment is (at the latest) the date when the Amended Contract was concluded (i.e. 23 December 2000).

- Therefore, as the two years maximum duration as per art. 12(2) of the applicable FIFA 59. Players' Agents Regulations had expired long before the loan of the Player P. to Internazionale Milano, the Agent's claim is rejected and the present appeal dismissed.
- Other Prayers for Relief D.
- 60. This conclusion, finally, makes it unnecessary for the Panel to provide additional comments on the other arguments and to consider the further requests submitted by the Parties. Accordingly, all other prayers for relief are rejected.

## The Court of Arbitration for Sport rules:

The appeal filed by J. against the FIFA Players' Status Committee decision dated 11 December 2007 is rejected in full.

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