

Disciplinary Committee

FIFA[®]

Date: 23 September 2024

Sent to:
Haras El Hadood
c/o Pius Ndubuokwu

Cc:
Ibadan City Soccer Club

Egyptian Football Association

Notification of the grounds of the Decision

Ref. no. FDD-19109

Dear Madam, Dear Sir,

Please find attached the grounds of the decision passed in the aforementioned case by a member of the FIFA Disciplinary Committee on 5 September 2024.

The Egyptian Football Association (in copy) is kindly requested to forward this decision to its affiliated club, Haras El Hadood.

We would appreciate your taking due note of this decision and ensuring its implementation.

Yours faithfully,

FIFA



Carlos Schneider
Director of the FIFA Judicial Bodies

Fédération Internationale de Football Association

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Decision of the FIFA Disciplinary Committee

passed on 05 September 2024

DECISION BY:

Thi My Dung NGUYEN (Vietnam), Member

ON THE CASE OF:

Haras El Hadood

(Decision FDD-19109)

REGARDING:

Art. 21 of the FIFA Disciplinary Code - *Failure to respect decisions*

I. FACTS

1. The following summary of the facts does not purport to include every single contention put forth by the actors at these proceedings. However, the member of the FIFA Disciplinary Committee (**the Committee**) has thoroughly considered any and all evidence and arguments submitted, even if no specific or detailed reference has been made to those arguments in the following outline of its position and in the ensuing discussion on the merits.
2. On 14 September 2023, the FIFA Dispute Resolution Chamber issued a decision (**Ref. TMS-13280**) ordering Haras El Hodood (**the Respondent**) to pay Ibadan City Soccer Club (**the Claimant**) the following amount (**the Decision**):
 - **USD 68,000** as training compensation plus 5 percent interest *p.a.* as from 6 December 2022 until the date of effective payment.
3. The Decision also ordered that:

*"5. Pursuant to article 24 of the Regulations on the Status and Transfer of Players if full payment (including all applicable interest) is not paid 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 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 paid by the end of the of the three entire and consecutive registration periods".*
4. On 8 November 2023, the Claimant requested that a registration ban be imposed on the Respondent based on its failure to pay the amounts ordered in the Decision within 45 days of notification thereof.
5. On 9 November 2023, Secretariat to the FIFA Disciplinary Committee (**the Secretariat**) imposed a ban from registering new players against the Respondent pursuant to the Decision (**Ref. FDD-16586**).
6. On 31 January 2024, the parties entered into a settlement agreement in connection with the Decision (**the Settlement Agreement**), under which the Respondent agreed to pay the Claimant a settlement fee of USD 50,000 by 31 January 2024 (**the Settlement Fee**), failing which the agreement would be null and void, with an additional 10 percent penalty to be

applied to the amount ordered in the Decision. The relevant provisions of the Settlement Agreement provided:

- *"Failure to pay the sum of 50,000 USD on or before 31st January 2024 will render this agreement null and void and the entire amount as contained in the referenced decision with its associated interests will remain due and payable with an additional 10% of the entire amount due as penalty".*
- *"Failure on the part of Harass El Hodod to make the aforementioned payment within the stipulated deadline of 31st January 2024 and receipt of same by Ibadan City Soccer club within the same deadline, shall render this agreement null and void with an additional 10% penalty to the original contained in the FIFA DRC judgment-TMS 13280 passed on 14th September 2023".*

7. The Respondent did not make the payment required under to the Settlement Agreement. However, on 10 July 2024 the Respondent made a payment of USD 74,880.
8. On 12 August 2024, the Claimant confirmed receipt of USD 74,880. However, the Claimant informed the Secretariat that the Respondent had yet to pay the penalty fee of 10 percent pursuant to the Settlement Agreement.
9. On the same day, the Secretariat, on behalf of the Disciplinary Committee, lifted the registration ban in FDD-16586. The Secretariat informed the Respondent that the registration ban could not remain active based on the claimed penalty fee. The payment of the penalty fee could not be enforced pursuant to art. 24 of the FIFA Regulations of the Status and Transfer of Players (RSTP) because it was not awarded under the Decision.
10. On 12 August 2024, the Claimant requested the initiation of disciplinary proceedings against the Respondent for the failure to comply with the Settlement Agreement, claiming that the Respondent had yet to pay the penalty fee of 10 percent. The Claimant calculated the penalty fee at USD 7,480.
11. On 15 August 2024, the Secretariat opened disciplinary proceedings against the Respondent and made a proposal to the Respondent in accordance with art. 58 FDC as read in conjunction with Annexe 1 FDC (**the Proposal**).
12. On 20 August 2024, the Respondent rejected the Proposal and submitted its position.
13. On 30 August 2024, the Secretariat accordingly informed the parties that the present matter would be referred to the meeting of the FIFA Disciplinary Committee on 5 September 2024.

II. RESPONDENT'S POSITION

14. The Respondent's position can be summarised as follows:

- The Respondent did not pay the Settlement Fee of USD 50,000 due under the Settlement Agreement by the deadline of 31 January 2024 because the Claimant requested the transfer be made to a personal account instead of an official account. Therefore, the Settlement agreement was "*cancelled as the Claimant request[ed]*".
- On 10 July 2024, the club paid the full amount (USD 68,000, "*plus 10% interest 6,800*", i.e. a total of 74,800).

III. CONSIDERATIONS OF THE DISCIPLINARY COMMITTEE

15. In view of the circumstances of the present matter, the Committee decided to address the procedural aspects of the present matter, namely, the jurisdiction and the applicable law, before entering into the substance of the matter and assessing the possible failure of the Respondent to comply with its financial obligations towards the Claimant as well as the potential sanctions resulting therefrom.

A. Jurisdiction of the FIFA Disciplinary Committee

16. First of all, the Committee noted that at no point during the present proceedings did the Respondent challenge its jurisdiction or the applicability of the FDC.

17. Notwithstanding the above and for the sake of good order, the Committee found it worthwhile to emphasize that, on the basis of arts. 56 and 57 FDC, it was competent to evaluate the present case and to impose sanctions in case of corresponding violations. In this respect, the Committee also stressed that, in line with art. 58 FDC, where a party rejects the proposed sanction from the Secretariat (*as in casu*), the matter shall be referred to it for a formal decision to be rendered.

18. Moreover, in line with art. 57(1)(a) FDC, the Committee found that a member of the Committee can rule on the matter alone as a single judge.

19. In view of the above, the Committee confirmed that it was competent to evaluate the present case and to impose sanctions in case of corresponding violation(s).

B. Applicable legal framework

20. With regard to the matter at hand, the Committee pointed out that the disciplinary offense, i.e. the Respondent's potential failure to comply with its financial obligation towards the Claimant, was committed after the entry into force of the 2023 edition of the FDC. In this respect, the Committee deemed that the merits as well as the procedural aspects of the present case should fall under the 2023 edition of the FDC.
21. Having established the above, the Committee wished to recall the content and scope of art. 21 FDC in order to duly assess the case at hand.
22. According to this provision:
1. *Anyone who fails to pay another person (such as a player, a coach or a club) or FIFA a sum of money in full or part, even though instructed to do so by a body, a committee, a subsidiary or an instance of FIFA or a CAS decision (financial decision), or anyone who fails to comply with another final decision (non-financial decision), passed by a body, a committee, a subsidiary or an instance of FIFA, or by CAS:*
 - a) *will be fined for failing to comply with a decision and receive any pertinent additional disciplinary measure; and, if necessary:*
 - b) *will be granted a final deadline of 30 days in which to pay the amount due or to comply with the non-financial decision;*
 - (...)
 - d) *in the case of clubs, upon expiry of the aforementioned final deadline and in the even of persistent default or failure to comply in full with the decision within the period stipulated, a ban on registering new players will be issued until the complete amount due is paid or the nonfinancial decision is complied with. A deduction of points or relegation to a lower division may also be ordered in addition to a ban on registering new players in the event of persistent failure (i.e. the ban on registering new players has been served for more than three entire and consecutive registration periods following the notification of the decision), repeated offences or serious infringements or if no full registration ban could be imposed or served for any reason.*
 - (...)
23. Its jurisdiction being established, and the applicable law determined, the Committee subsequently turned its attention to the merits of the dispute.
24. The Committee noted that the present case revolved around the Settlement Agreement reached between the parties on 31 January 2024 in the context of disciplinary proceedings Ref. FDD-16586.

25. In this respect, the Committee noted that art. 21 (9) FDC gives the Disciplinary Committee the competence to decide on cases related to the failure to respect settlement agreements concluded in the context of disciplinary proceedings opened against a debtor with respect to a final and binding financial decision issued by a body, a committee, a subsidiary or an instance of FIFA or by CAS.
26. The Committee further noted that on the basis of the wording of art. 21 (9) FDC and the *rationale* behind this provision - i.e. avoiding the need for the claimant to initiate new proceedings before the FIFA Football Tribunal or the competent body in order to enforce a settlement agreement reached in relation to a final and binding decision issued by FIFA or CAS - the competence granted to the Disciplinary Committee under art. 21 (9) FDC also covers private settlement agreements reached after a decision taken by a body, committee, subsidiary or instance of FIFA or by CAS, particularly when disciplinary measures have been imposed in accordance with said decision.
27. The above being established and the applicable law determined, the Committee subsequently turned its attention to the alleged failure of the Respondent to pay the amount(s) due to the Claimant.

C. Merits of the dispute

I. Analysis of the facts in light of art. 21 FDC

28. To begin, the Committee observed that the FIFA Disciplinary Committee issued Decision FDD-16586 and imposed a registration ban on the Respondent for its failure to comply with the Decision and that subsequently, the parties entered into a Settlement Agreement in January 2024 with the purpose of lifting said ban.
29. The Committee considered that since the Settlement Agreement in question had been entered into following the implementation of disciplinary measures in connection with a final and binding decision issued by FIFA, i.e. Decision FDD-16586, the Respondent could be held liable for non-compliance with the Settlement Agreement pursuant to art. 21 (9) FDC.
30. In this context, the Committee noted that, according to the Settlement Agreement, the Respondent was to pay a penalty fee of 10 percent if the Settlement Fee was not paid on 31 January 2024 as agreed. The Committee observed, as is undisputed by the parties, that the Settlement Fee was not paid pursuant to the Settlement Agreement. As a result, the Committee concluded that the Respondent was liable to pay the penalty fee. The Committee calculated the penalty fee to be USD 6,800, considering that this amounts to 10 percent of the amount due under the Decision, i.e. USD 68,000.

31. The Committee took note of the Respondent's argument that the penalty fee was not paid because the Claimant allegedly did not provide a suitable bank account for payment and that the Settlement Agreement was "*cancelled as the Claimant request[ed]*". However, the Respondent has offered no evidence to substantiate its allegation. In particular, the Respondent offered no proof that it informed the Claimant it would not be able to make the payment to the account agreed upon and incorporated directly into the Settlement Agreement. Nor has the Respondent provided any proof that it requested the details of another bank account to make the agreed-upon payment or that the Claimant had agreed to void the penalty fee clause.
32. Moreover, the Committee took note of the Respondent's argument that on 10 July 2024, it had allegedly paid all the amounts owed to the Claimant. The Respondent explained that the payment of USD 74,800 made on 10 July 2024 corresponded to the USD 68,000 awarded in the Decision "*plus 10% interest [USD] 6,800*".
33. The Committee noted that the Respondent's claim of having paid "*10% interest*" is inconsistent since the amount of interest due was 5 percent. The Committee was thus under the impression that the Respondent may be under the belief that the payment of 10 July 2024 was for the penalty fee instead of the interest. However, the Committee rejected this notion and found, for the following reasons, that the payment made on 10 July 2024 corresponded only to the principal of USD 68,000 and the interest of 5% due.
34. First of all, disciplinary proceeding FDD-16586 was for the execution of a payment pursuant to art. 24 RSTP. As previously mentioned, this meant that the payment of the penalty fee could not be enforced in said proceeding since it was not an amount awarded under the Decision. As it fell outside the scope of the disciplinary proceedings, it would be unreasonable to assume that the payment made by the Respondent on 10 July 2024 with the purpose of closing the case corresponded to the penalty fee instead of the interest due.
35. Second and with the above in mind, the Secretariat, on behalf of the Disciplinary Committee, closed disciplinary proceeding FDD-16586 when the parties confirmed payment of the amounts due under the Decision (i.e. the principal of USD 68,000 and interest of 5 percent). In particular, the Secretariat, on behalf of the Disciplinary Committee, relied on the following to close the case:
 - (i) The Respondent's notification to the Secretariat on 4 August 2024 that "*regarding to [the Decision] dated 14 September 2023, then decision dated 09 November 2023 (Ref. no. FDD-16586 – Ref. no. TMS 13280) for ban our team from registration new players, so we want to inform you that our club already pay the full amount in the Claimant (Ibadan City Soccer Club)'s Account (attached) the Swift Paper. so we hope that the ban will be [lift]ed as soon as possible*";

- (ii) The Claimant's subsequent confirmation of 12 August 2024 that the amounts under the Decision had been paid.

36. It should be noted that in disciplinary proceeding FDD-16586 the Claimant informed the Secretariat that while the payments due under the Decision (i.e. the principal and interest) had been paid on 10 July 2024, the penalty fee under the Settlement Agreement remained outstanding. Notwithstanding, the Respondent did not contest that that amount paid did not correspond to principal and interest. Indeed, the Respondent made no reference to the payment corresponding instead to the principal plus penalty fee.

37. In light of the above, the Committee found that the Respondent breached art. 21 FDC for failing to respect the Settlement Agreement, specifically, for failing to pay the penalty fee. Therefore, the Respondent should be sanctioned accordingly.

II. The determination of the sanction

38. As a preliminary remark, the Committee emphasized that the Respondent unlawfully withheld the amounts from the Claimant.

39. With regard to the applicable sanctions, the Committee observed in the first place that the Respondent was a legal person, and as such was subject to the sanctions described under art. 6 (1) and 6 (3) FDC.

40. Notwithstanding the above, the Committee recalled that art. 21 FDC foresees specific sanctions for anyone who fails to pay another person a sum of money in full or in part, even though instructed to do so, in so far that the latter:

- (i) will be fined and receive any pertinent additional disciplinary measure (lit. a); and
- (ii) will be granted a final deadline of 30 days in which to pay the amount due (lit. b);
- (iii) (in the case of clubs as *in casu*) upon expiry of the aforementioned final deadline and in the event of persistent default or failure to comply in full with the decision within the period stipulated, a ban on registering new players will be issued until the complete amount due is paid (lit. d).

41. Consistently with the above, and with respect to the fine to be imposed, the Committee underlined that, in line with art. 6 (4) FDC, it shall range between CHF 100 and CHF 1,000,000.

42. In this respect, the Committee pointed out that Annexe 1 FDC provides for a list of specific disciplinary measures which may be taken into consideration in case of failure to respect financial decisions. As such, after analysing the circumstances pertaining to the present case, whilst taking into account the outstanding amounts in light of Annexe 1 FDC, the Committee decided to impose a fine of CHF 1,000 on the Respondent.

43. Furthermore, and in application of art. 21.1(b) FDC, the Committee granted a final deadline of 30 days to the Respondent in order to pay the amounts due to the Claimant.
44. Finally, and consistently with art. 21.1(d) FDC, the Respondent is hereby warned and notified that, in the case of default within the period stipulated, a registration ban (a national and international level) will be automatically imposed until the complete amount due are paid.

Decision

1. Haras El Hadood is found responsible for failing to comply with the Settlement Agreement entered into on 31 January 2024 within the scope of procedures TMS-13280 and FDD-16586.
2. Haras El Hadood is ordered to pay to Ibadan City Soccer Club as follows:
 - USD 6,800
3. Haras El Hadood is granted a final deadline of 30 days as from notification of the present decision in which to pay the amount due. Upon expiry of the aforementioned final deadline and in the event of persistent default or failure to comply in full with the decision within the period stipulated, a ban on registering new players will be issued until the complete amount due is paid.
4. Haras El Hadood is ordered to pay a fine to the amount of CHF 1,000.
5. The fine is to be paid within 30 days of notification of the present decision.

FÉDÉRATION INTERNATIONALE
DE FOOTBALL ASSOCIATION



Thi My Dung NGUYEN (Vietnam)
Member of the FIFA Disciplinary Committee

LEGAL ACTION

According to art. 50 (1) of the FIFA Statutes reads together with arts. 52 and 61 FDC, this decision may be appealed against before the Court of Arbitration for Sport (CAS). The statement of appeal must be sent to the CAS directly within 21 days of receipt of notification of this decision. Within another 10 days following the expiry of the time limit for filing the statement of appeal, the appellant shall file a brief stating the facts and legal arguments giving rise to the appeal with the CAS.

NOTE RELATING TO THE PAYMENT OF THE AMOUNT DUE:

The Respondent, Haras El Hadood, is directed to notify the secretariat to the FIFA Disciplinary Committee as well as the Egyptian Football Association of every payment made and to provide the relevant proof of payment.

The Creditor, Ibadan City Soccer Club, is directed to notify the secretariat to the FIFA Disciplinary Committee as well as the Egyptian Football Association of every payment received.

NOTE RELATING TO THE REGISTRATION BAN:

The registration ban mentioned in para. 3. of the present decision will be implemented automatically and immediately at national and international level by the Egyptian Football Association and FIFA respectively, without a further formal decision having to be taken nor any order to be issued by the FIFA Disciplinary Committee or its secretariat. In such case, the Egyptian Football Association is reminded of its duty to implement this decision and provide FIFA with proof that the registration ban has been implemented at national level, any failure to do so being subject to potential sanctions (which can lead to an expulsion from FIFA competitions) being imposed by the FIFA Disciplinary Committee.

The registration ban shall cover all men eleven-a-side teams of the Respondent – first team and youth categories –.

The Respondent shall only be able to register new players, either nationally or internationally, upon the payment to the Creditor of the complete amount due. In particular, the Respondent may not make use of the exception and the provisional measures stipulated in art. 6 of the Regulations on the Status and Transfer of Players in order to register players at an earlier stage.

A deduction of points or relegation to a lower division may be ordered in addition to the registration ban in the event of persistent failure (i.e. the ban on registering new players has been served for more than three entire and consecutive registration periods following the notification of the decision), repeated offences or serious infringements or if no full registration ban could be imposed or served for any reason.

NOTE RELATING TO THE PAYMENT OF THE FINE:

Payment can be made either in Swiss francs (CHF) to account no. 0230-325519.70J, UBS AG, Bahnhofstrasse 45, 8098 Zurich, SWIFT: UBSWCHZH80A, IBAN: CH85 0023 0230 3255 1970 J or in US dollars (USD) to account no. 0230-325519.71U, UBS AG, Bahnhofstrasse 45, 8098 Zurich, SWIFT: UBSWCHZH80A, IBAN: CH95 0023 0230 3255 1971 U, with reference to the abovementioned case number.