„Perspectives and Economical Challenges for Elite Football Clubs – Contractual Stability“

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Contractual Stability: Problem of „breach of contracts“

• **Article 13 FIFA Regulations:**
  „pacta sunt servanda“

• **Importance for clubs:**
  – Financially: Budget of the club
  – Sporting: Squad planning and strategy (length of contracts, systems [4-3-3, 4-4-2, etc.])

• **Fair principle:**
  – Guarantee for players to receive salary for whole contractual period
  – Guarantee for clubs to have services for whole contractual period, thus keeping budget and squad?
Contractual Stability: Problem of „breach of contracts“

Article 17 FIFA Regulations?
No, if:

- Club breaches contract and needs to pay whole salary until the end of the period, but
- Player does not need to perform and club will not even be able to adjust budget, squad and strategy
Contractual Stability: Problem of „breach of contracts“

No real remedies, Consequences:

• **Contractual penalty?**
• **Written warning notice?** Pre-requisite for extraordinary termination of conduct
• **Extraordinary termination of contract?** Do you really want to lose the player WITHOUT transfer compensation?
Contractual Stability: Problem of „breach of contracts“

Conclusion:

• No real formal remedy
• Rather personal relationship between sporting management and the player (respect)
• If this is not working: ultima ratio is selling the player! „Forced to sell“
Contractual Stability: Problem of „breach of contracts“

Challenge for the clubs:

- Need to find „replacement transfer“
- Need to balance such transfer with system, strategy and budget
- Uncertainty whether CAS/courts will grant compensation for such challenge
Thank you very much

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