

**COLLECTIVE BARGAINING AGREEMENT**

**Between**

**MAJOR LEAGUE SOCCER**

**And**

**MAJOR LEAGUE SOCCER PLAYERS UNION**

**February 1, 2015 – January 31, 2020**

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THIS COLLECTIVE BARGAINING AGREEMENT made as of the 1<sup>st</sup> day of February, 2015, by and between MAJOR LEAGUE SOCCER, L.L.C. and MLS CANADA LP (together “MLS”) and the MAJOR LEAGUE SOCCER PLAYERS UNION (the “Union”).

It is the general purpose of the CBA to promote the mutual interests of MLS, the Union and the Players and to allow for the operation of the League in a manner that will promote, to the fullest extent possible, the business of MLS and the growth of professional soccer in the United States and Canada.

## ARTICLE 1

### RECOGNITION AND UNION ACCESS

**Section 1.1 Recognition:** MLS recognizes the Union as the exclusive bargaining representative of all present and future players employed as such in the League, but not including any other MLS employees. MLS and the Union agree that, notwithstanding the foregoing, such Players may, acting individually or through a player-agent, on an individual basis, bargain with MLS with respect to and agree upon terms over and above the minimum requirements established by this CBA, to the extent not inconsistent with this CBA (including the Standard Player Agreement and any other exhibits hereto).

**Section 1.2 Union Access:** Each year, appropriate staff members of the Union shall be given stadium, press box and locker room passes for Pre-Season, Regular Season, Post-Season and any exhibition games. The Union may hold meetings with the Players of each Team, provided that an authorized representative of the relevant Team has approved the arrangements for each meeting held at Team facilities, and that no such meeting shall interfere with the training, practice or operation of the Team. Approval for Union meetings shall not be unreasonably withheld, conditioned, or delayed. During any annual scouting combine, the Union will be permitted, at its expense, to present a two-hour orientation for all of the players attending the session, and Union officials will be allowed to attend the annual MLS SuperDraft and provide information to players at the MLS SuperDraft in a manner that does not interfere with MLS's ability to conduct the MLS SuperDraft.

**Section 1.3 Joint Rookie Symposium:** An annual joint rookie symposium for Players in their first year with MLS shall be held each year at location(s) and at such times agreed to by the Union and League. Among other things, the symposium will discuss the SABH Program, career planning, as well as League expectations of an MLS Player. The development of the symposium agenda and funding of such meeting will be discussed and mutually agreed upon by the Union and League.

## ARTICLE 2

### DEFINITIONS

- (a) “25+4 Player” shall have the meaning set forth in Section 29.3.
- (b) “30+8 Player” shall have the meaning set forth in Section 29.4.
- (c) “Agreement” or “CBA” means this Collective Bargaining Agreement between MLS and the Union, including any and all exhibits and side letters, and any successor agreements thereto.
- (d) “Authorization” shall have the meaning set forth in Section 9.1(iv).
- (e) “Best Eleven” shall have the meaning set forth in Section 25.2.
- (f) “Commercial Affiliates” means all MLS or Team sponsors, product/service companies, suppliers, licensees or other entities granted by MLS a license to use MLS or Team trademarks or other commercial identification rights in connection with MLS.
- (g) “Commissioner” means the commissioner of the League.
- (h) “Competition Guidelines” means the MLS Competition Guidelines Manual for the 2015 MLS season, as it may be amended from time to time in MLS’s sole discretion in accordance with Article 5.
- (i) “Compulsory Game” or “Compulsory Tournament” means a game or tournament in which CONCACAF, FIFA or USSF requires MLS to participate.
- (j) “CONCACAF” means the Confederation of North, Central American and Caribbean Association Football.
- (k) “Concussion Protocol” shall have the meaning set forth in Section 9.9.
- (l) “Contract Guarantee Date” means the date on or after which a Semi-Guaranteed Contract may not be terminated by MLS for the reasons set forth in Section 18.7 of this CBA. Unless otherwise agreed between a Player and MLS, the Contract Guarantee Date shall be July 1; provided, however, if agreed to by the Player, MLS may extend (or initially set) the Player’s Contract Guarantee Date beyond July 1, but not beyond the date that is seven (7) days after the close of the secondary transfer window (i.e., the August transfer window), for the same number of Players as there are Teams in the League in each League Season (e.g., if there are twenty Teams in the League, MLS may extend the Contract Guarantee Date for up to twenty (20) Players). MLS agrees that if it requests a Player to sign a Contract Guarantee Date extension it shall provide the request to the Player five (5) days prior to the Contract Guarantee Date. This provision is without prejudice to MLS’s rights in Section 18.7.
- (m) “CSA” shall mean the Canadian Soccer Association.

- (n) “Designated Player Charge” for full-season or mid-season, as applicable, shall have the meaning set forth in Sections 10.6 (d) and (e).
- (o) “Disciplinary Committee” shall have the meaning set forth in Section 20.2.
- (p) “Expiration Date” of a Standard Player Agreement means the date on which such SPA expires, as set forth in the Schedule to the SPA, not including any option periods.
- (q) “Execution Date” means the later of (x) the date the CBA is executed and (y) the date the CBA is ratified.
- (r) “FIFA” means the Federation Internationale de Football Association.
- (s) “Fit” or “Fitness” shall mean medically able to play soccer at an MLS level.
- (t) “Free Agency” shall mean a Player’s ability to select a Team for which to play as set forth in Article 29.
- (u) “Grievance” shall have the meaning set forth in Section 21.1.
- (v) “Grievance Committee” shall have the meaning set forth in Section 21.4.
- (w) “Group License Agreement” shall have the meaning set forth in Article 28.
- (x) “Guaranteed Contract” means an SPA that may not be terminated by MLS solely because of the quality of the Player’s on-field performance or the fact that the Player may have sustained an injury during the performance of his duties as an MLS Player.
- (y) “Home Grown Player” means a player designated as such pursuant to the Competition Guidelines.
- (z) “Immediate Family” shall mean the Player’s current spouse and the Player’s dependent unmarried children under the age of eighteen.
- (aa) “Impartial Arbitrator” shall have the meaning set forth in Section 21.6.
- (bb) “Independent Physician” means a physician agreed upon by a physician for a Team or the League and the Player’s physician, in the event of disagreement between them as to the Player’s condition or cause of such condition.
- (cc) “League” means the professional outdoor soccer league operated by MLS.
- (dd) “League Season” or “Season” means the period in any year commencing on the date of the first Regular Season MLS game and ending on the date of the MLS championship game.
- (ee) “League Year” means the twelve-month period, currently from January 1 of one year through and including December 31 during which the League Season is played.

(ff) “Maximum Salary Budget Charge” shall have the meaning set forth in Section 10.6(c).

(gg) “Medical Information Release” shall have the meaning set forth in Section 9.1(iv).

(hh) “MLS” shall have the meaning set forth in the Preamble.

(ii) “MLS Guaranteed Service Year” shall mean the Player has been (i) under contract from the date of the earlier of (x) the close of the primary transfer window (e.g., February - May transfer window) and (y) May 12th and (ii) remains on a Team’s roster after the next Roster Compliance Date or any immediately subsequent waiver period. For Players on Short Term SPAs, the Player must meet the requirements set forth in Section 15.2 in order to meet the MLS Guaranteed Service Year requirement.

(jj) “MLS Service Year” means that effective at the end of the League Season, the Player either (i) was on the roster prior to August 15<sup>th</sup> in a League Season or (ii) played in at least one (1) Regular Season or Post-Season game during the League Season. For Players on Short Term SPAs, the Player must meet the requirements set forth in Section 15.2 in order to meet the MLS Service Year requirement.

(kk) “Non-Compulsory Game” or “Non-Compulsory Tournament” means any game or tournament that is not a Compulsory Game or a Compulsory Tournament.

(ll) “Official Equipment Supplier” means a supplier of athletic equipment to MLS. The number of Official Equipment Suppliers may increase or decrease during the term. A list of current Official Equipment Suppliers will be provided to the Union, and updated as needed.

(mm) “Off-Season” means the time period from the later of a Player’s Team’s final Regular Season or final Post-Season game until the Pre-Season Training Camp Start Date.

(nn) “Player” means a soccer player who is signatory to a Standard Player Agreement.

(oo) “Player Agreement” means the form SPA, along with any special covenants contained therein.

(pp) “Player Category” means the category ascribed to the Player in his Player Agreement.

(qq) “Post-Season” means that part of the League Season following the conclusion of the Regular Season that includes the MLS playoffs, including, without limitation, any play-in game, division game, conference championship and MLS Cup.

(rr) “Pre-Existing Agreement” means any sponsorship or endorsement agreement relating to the Player in existence on the date the Player enters into a Player Agreement, and which is disclosed in such Player Agreement. The Player may not validly



disclose an agreement as a “Pre-Existing Agreement” if such agreement was entered into in breach of the Player’s obligations under any previous Player Agreement with MLS.

(ss) “Pre-Season” means the time period from the Pre-Season Training Camp Start Date to the start of the Regular Season.

(tt) “Pre-Season Training Camp Start Date” shall have the meaning set forth in Section 17.2(b).

(uu) “Re-Entry Draft” shall mean the player movement process described in Sections 29.1, 29.3 and 29.4.

(vv) “Regular Season” means that part of the League Season extending from the opening game of the League schedule until the last game on such schedule, which is not an exhibition, Post-Season or championship game.

(ww) “Regulations” shall have the meaning set forth in Section 15.5.

(xx) “Related Entity” means, when used in reference to MLS or the Team Operator, (i) any individual, partnership, corporation, limited liability company, trust, estate or other entity (the “Entity”) who directly or indirectly controls, is controlled by or is under common control with MLS or the Team Operator, (ii) any Entity who is an officer, partner, member or trustee of, or serves in a similar capacity with respect to MLS or the Team Operator, or for which MLS or the Team Operator is an officer, partner, member or trustee or serves in a similar capacity, (iii) any Entity who, directly or indirectly is the beneficial owner of ten percent (10%) or more of any class of equity securities of MLS or the Team Operator, or of which MLS or the Team Operator, directly or indirectly is the owner of ten percent (10%) or more of any class of equity securities, and (iv) any member of the close family (which shall include for the purposes of this Article 2, Section xxiv, an individual’s current spouse, parents, parents-in-law, grandparents, children, children-in-law, siblings, and grandchildren, or a trust or estate, all of the beneficiaries of which consist of such individual or such related persons) of MLS or the Team Operator.

(yy) “Reserve Minimum Salary” means the minimum salary for Reserve Players as set forth in Section 10.2.

(zz) “Reserve Player(s)” means those Players who are part of the Reserve Roster. Only Reserve Players who are 24 years old (meaning that they turn 24 during the calendar year) or younger who are designated as such by MLS and who must be the 25<sup>th</sup> or higher man on the Team’s roster may be paid at the Reserve Minimum Salary set forth in Section 10.2.

(aaa) “Reserve Roster” means those Players who are not on the Senior Roster and who do not count against the Team Salary Budget.

(bbb) “Roster Compliance Date” means the date approximately one week prior to the start of the League Season on which each Team must be in compliance with the Team roster and Team Salary Budget limits set forth in the Competition Guidelines.

(ccc) “Roster Freeze Date” shall have the meaning set forth in Section 19.3.

(ddd) “SABH” shall have the meaning set forth in Section 12.1.

(eee) “Salary Budget Charge” means the budget charge for a Player against the Team Salary Budget calculated as set forth in Section 10.6(b).

(fff) “Semi-Guaranteed Contract” means an SPA that may be terminated by MLS pursuant to Section 18.7 prior to the Contract Guarantee Date of the year in which his Player Agreement is terminated, without further obligation on either party. If not terminated for such reasons prior to the Contract Guarantee Date of any year, the SPA may not be terminated for such reasons until the immediately following December 31.

(ggg) “Senior Minimum Salary” means the minimum salary for all Players other than those who may be paid the Reserve Minimum Salary as set forth in Section 10.1.

(hhh) “Senior Roster” shall have the meaning set forth in Section 19.1.

(iii) “Short Term SPA” shall have the meaning set forth in Section 18.8.

(jjj) “Soccer Camp” means any soccer camp, clinic or club sponsored or conducted by MLS or a Team or its licensee under a bona fide arrangement, or in which MLS or a Team or its bona fide licensee has a material financial interest.

(kkk) “Standard Player Agreement” or “SPA” means the form Standard Player Agreement attached hereto as Exhibit 1 and any addenda thereto.

(lll) “SUM” shall mean Soccer United Marketing, LLC.

(mmm) “Team” means the team in the League to which the Player is from time to time assigned. Where appropriate, such term shall be deemed to include a reference to the Team Operator of such Team.

(nnn) “Team Bonus Pool” shall mean the pool into which the team-based bonuses set forth in Sections 10.3-10.5 shall be paid. The allocation of the Team Bonus Pool shall be determined by the Team’s Players and the allocation shall be communicated to the League by the Union.

(ooo) “Team Operator” means the entity authorized by MLS to operate the Team on its behalf, and, where the Team is operated by MLS otherwise than through a separate entity so authorized, MLS itself.

(ppp) “Team Salary Budget” means the player spend budget set forth in Section 10.6(a).

(qqq) “Tier 1 Exhibition Games” shall have the meaning set forth in Section 10.5(i).

(rrr) “Tier 2 Exhibition Games” shall have the meaning set forth in Section 10.5(ii).

(sss) "Union" shall have the meaning set forth in the Preamble.

(ttt) "USL" means the United Soccer League.

(uuu) "USL Affiliate" means the USL team that has an MLS recognized affiliation with a Team.

(vvv) "USSF" means the United States Soccer Federation.

Certain terms used in this CBA are defined elsewhere herein, including the MLS Competition Guidelines Manual and other exhibits hereto.

## ARTICLE 3

### DURATION OF AGREEMENT

**Section 3.1 Term:** This CBA is effective February 1, 2015 and shall remain in full force and effect until midnight on the 31st day of January 2020, and shall remain in effect from year to year thereafter, unless either party notifies the other in writing at least sixty (60) days prior to January 31, 2020 (or of January 31 of any renewal year thereafter) of its intention to terminate or modify the CBA.

**Section 3.2 Binding Agreement:** In accordance with existing law, this CBA shall be binding upon and inure to the benefit of MLS, MLS Teams, the Union and all Players covered by this CBA, and their successors and assigns.

## ARTICLE 4

### UNION SECURITY AND CHECK-OFF

**Section 4.1 Membership:** Every Player has the option of joining or not joining the Union; provided, however, that as a condition of employment for the duration of this CBA and wherever and whenever legal:

(a) any Player who is or later becomes a member in good standing of the Union must maintain his membership in good standing in the Union; and

(b) any Player who is not a member in good standing of the Union must, on the later of the 30<sup>th</sup> day following the ratification of this CBA or the beginning of his employment with the League, pay, pursuant to Section 4.2, below, or otherwise, an annual service fee in the same amount as the periodic dues.

**Section 4.2 Check-Off:** The League will deduct, semi-monthly, from the salary of each Player who voluntarily authorizes and directs such deduction in accordance with this Article, an amount equal to the periodic dues and any assessments of the Union. The Union shall advise MLS in writing as to any changes to the amount of periodic dues at least thirty (30) days in advance of the effective date of such changes in the amount to be deducted. MLS shall forward the check-off monies to the Union by electronic transfer, with a ledger identifying the sources of the monies, within five (5) business days of each semi-monthly deduction. Each check-off authorization by a Player shall be in writing in the form prescribed (Exhibit 3), and shall be governed by the provisions hereof.

**Section 4.3 Enforcement:** Upon written notification to MLS by the Union that a Player has not paid any initial fee, dues or the equivalent service fee in violation of Section 4.1 above, MLS will raise the matter for discussion with the Player. If there is no resolution of the matter within seven (7) days, then MLS will, upon written request of the Union, suspend the Player without pay, wherever legal. Such suspension will continue until the Union has notified MLS in writing that the suspended Player has satisfied his obligation as contained in Section 4.1 above. The parties hereby agree that suspension without pay is adopted as a substitute for and in lieu of discharge as the penalty for failing to pay dues, fees or an agency service fee. Should such suspension continue during the League Season for more than forty-five (45) days, the League may, at its option, toll the Player's SPA for the entire League Season, such that the Player shall owe an additional year of service under his SPA. During any such suspension or tolling of the Player's SPA under this Section 4.3, the Player shall be prohibited from playing professional soccer for any non-MLS team.

**Section 4.4 Indemnification:** Consistent with the Union's responsibility to obtain from Players and file with the League written check-off authorizations, the Union shall be solely responsible for refunds to Players in the case of any sums deducted not in conformity with the provisions of the Union's Constitution and Bylaws or applicable law. Further, the Union shall indemnify MLS against, and hold them harmless from, any claim paid or incurred on account of any finding that a deduction or payment of any amount under Section 4.2, above, was wrongful or invalid, so long as such deduction was made in accordance with the written check-off authorizations filed with MLS, and in the amounts the Union advised in writing.

## ARTICLE 5

### MANAGEMENT RIGHTS

Except as limited elsewhere by an express written provision of this CBA, MLS, in the exercise of its functions of management, shall in addition to its other inherent and legal rights to manage its business, including the direction and control of the Teams, have the exclusive right at any time and from time to time to take any action it deems appropriate in the management of its business, including but not limited to the exclusive right to determine when, where, how and under what circumstances it wishes to operate, suspend, discontinue, sell or move and to determine the manner and the rules by which the Teams shall play soccer.

All of the rights which were inherent in MLS, as owner and operator of the business of Major League Soccer, or incident to the management thereof, which existed prior to the selection of the Union as exclusive bargaining representative by the Players and which are not expressly curtailed or contracted away by a specific provision of this CBA, including SPAs entered into subject to this CBA, are retained solely by MLS. MLS may take any action not in violation of any express provision of this CBA, any SPA, or law in the exercise of its management rights.

The parties recognize that FIFA and the USSF have rights affecting the conduct of MLS's business, and that MLS may implement mandatory dictates of FIFA and/or requirements of the USSF without bargaining over the decision to implement such mandatory dictates. If such a mandatory dictate would result in (a) a change in a Player benefit under an existing rule or regulation; or (b) the adoption of a rule or regulation which would change a Player benefit under an existing rule or regulation or impose an obligation upon the Players which had not previously existed, MLS and the Union shall bargain in good faith over the effects of the implementation of such a mandatory dictate.

Except as such subjects are addressed elsewhere by this CBA, and without determining whether such subjects are mandatory or permissive subjects of bargaining under the National Labor Relations Act, during the term of this CBA, the Union expressly waives its statutory right to bargain over the subjects set forth in this Paragraph. However, before deciding either to implement a new rule or policy or to change an existing rule or policy regarding the subjects covered by this Paragraph, the League shall (a) give the Union reasonable notice of the proposed change; (b) upon request, provide the Union with information reasonably necessary to engage in a meaningful dialogue concerning the proposed change, and (c) engage in such a dialogue with the Union, provided however, that without needing to reach impasse, the League may at any time implement the proposed change after giving the Union at least seven (7) days' notice of its intent to do so, notwithstanding and without any legal consequence attaching to the status of, or delay resulting from, an information request made by the Union. The subjects over which the Union expressly waives its right to bargain are: Competition Guidelines provisions (except as otherwise provided in this CBA), including but not limited to establishment, termination, and definitions of and amendments to player classifications and categories; possible sources of MLS players and rules, regulations and procedures governing their assignment to MLS Teams; roster size; roster composition, including but not limited to the number of players within any classification or category, whether domestic or international, on a Team's roster; competition calendar dates

(including but not limited to the waiver dates, draft dates and discovery dates); player and Team salary budgets (including but not limited to the setting, administration and effect of minimum and maximum Team budgets and budgets attributable to individual players); player trade rules, regulations and procedures; player registration, transfer and loan rules, Home Grown Player rules, regulations and procedures; Off-Season training, competitions and tours; rules, regulations and procedures concerning MLS Player drafts (including but not limited to entry, waiver, supplemental and expansion and contraction drafts); player lottery system; other provisions in the Competition Guidelines Manual, which MLS may amend from time to time in its absolute discretion pursuant to this paragraph and, except to the extent that a subject of the Competition Guidelines is explicitly addressed in this CBA; Game format and playing rules; Play-off format, including but not limited to the number of games, the number and identity of participating Teams, eligibility for Post-Season participation, Post-Season competition rules, All-Star game format, if any, and rosters; Player statistics and League/Team awards created, maintained, revised, disseminated or deleted; Expansion or contraction of MLS, including any related draft rules, regulations or procedures (except as provided in Article 14, herein); Location of play or practice facilities; On-Field equipment and uniforms and regulations relating thereto; Stadium facilities for players (for play and practice), including but not limited to the field surfaces and other aspects of the facilities and access thereto. Notwithstanding the above, the following subjects shall not be subject to the provisions above regarding meaningful dialogue: expansion or contraction of MLS and location of play or practice facilities.

## ARTICLE 6

### NO-STRIKE, NO-LOCKOUT

**Section 6.1 No Strike:** Neither the Union nor any Player shall authorize, encourage, or engage in any strike, work stoppage, slowdown or other individual or concerted interference with the activities of the League during the term of this CBA. Nor shall any Player decline to play or practice or fulfill his other obligations under his SPA or otherwise interfere with the activities of the League, or individually or in concert encourage any other Player to do so for any reason, including but not limited to because of picketing or a labor dispute involving any other labor organization. The Union shall not support or condone any action of any Player that is not in accordance with this Section 6.1, and the Union shall exert all reasonable efforts to induce compliance therewith.

**Section 6.2 Remedies for Breach:** To the extent otherwise consistent with this CBA, in the event that a Player who is party to a SPA declines to practice or play or fulfill his other obligations under his SPA for any reason, the Player shall forfeit his salary for the period of such refusal, unless the Player has a demonstrable short-term medical or family emergency. Should such refusal to practice or play continue for more than two (2) weeks following written notice to the Player and the Union from the League of such breach, the League may, at its option, toll the Player's SPA for the entire League Season, such that the Player shall owe an additional year of service under his SPA. During any period of non-performance and/or suspension by the League or tolling of the Player's SPA, the Player shall be prohibited from playing professional soccer for any non-MLS team. MLS shall also retain the right to terminate the SPA of a Player who violates the provisions of this Article 6.

**Section 6.3 No Lockout:** The League shall not engage in a lockout during the term of this CBA.



## **ARTICLE 7**

### **NO DISCRIMINATION**

This CBA shall be applied to all Players without discrimination on the basis of religion, race, color, national origin, sex, sexual orientation, age, disability, marital status, or, except as provided in Article 4, membership or non-membership in or support of or non-support of any labor organization.

## ARTICLE 8

### PLAYER OBLIGATIONS

During the term of his employment under an SPA, a Player owes the following general duties and responsibilities to MLS:

**Section 8.1** A Player shall devote whatever time is necessary to perform his duties as a player and promoter of soccer, the Team and MLS as set forth in this CBA, including the SPA. A Player shall at all times, and to the best of his ability, perform all of the duties that may be required of and from him pursuant to the terms of this CBA.

**Section 8.2** Except as otherwise limited hereunder, a Player shall perform his duties and responsibilities at such place or places and at such times as may be designated by MLS. A Player's services may be assigned to the central MLS player pool or to any Team in the League, in a manner consistent with the terms of this CBA. Thus, a Player may be required to relocate within the United States or Canada, in order to fulfill his duties under this CBA. MLS will notify the Player as to the Team to which he shall initially be assigned. Because MLS Teams compete nationally and may compete internationally, a Player may be required to travel in order to fulfill his duties under this CBA. The Player agrees to undertake such travel as may be required by MLS, in its sole and absolute discretion, and agrees that he shall travel in accordance with MLS's directions unless MLS requests that the Player make his own arrangements. Those Players with P-1 visas must give MLS forty-eight (48) hours advance notice of personal travel outside the United States, except in the case of emergencies that make such notice impracticable; MLS shall give each such Player written notice of this requirement upon his signing of an SPA (or upon arrival in his MLS Team's city) and then annually, in the Player's native language if he is not fluent in English. A Player who fails to give the required notice of such travel shall be subject to progressive discipline. A Player must maintain valid documents to be able to travel and otherwise perform his obligations (i.e. a valid U.S. passport or visa, travel authorization documents, etc.) MLS shall pay any immigration fees associated with the non-immigrant visa application process, including renewal fees (if the Player continues to be employed by MLS). MLS is also obligated to pay fees necessary to the non-immigrant visa application process and renewal fees for the Player's Immediate Family. For Players assigned to Teams in Canada, MLS will use reasonable efforts to arrange, and will pay for, work permits for the spouse of any non-Canadian Player, if it is possible under Canadian laws to obtain such a work permit. MLS is not obligated to pay for, or assist in the process of obtaining, green cards or United States or Canadian citizenship or passports or passport renewals, unless the Player's Team asks him to obtain a green card or the Canadian equivalent. If MLS or a Team asks a Player to obtain a green card or its Canadian equivalent, then MLS or the Player's Team will pay the fees associated with obtaining the green card or its Canadian equivalent. A Player who is unable to fulfill his responsibilities as an MLS player due to his failure to maintain valid travel and work documents is subject to suspension, unless such failure is due to MLS or his Team's failure to meet its obligation under this Section.

**Section 8.3** A Player shall be available and promptly report for and fully participate in all of the training and practice sessions, meetings and games of the Team and, if invited, the Player will practice and play for the MLS All-Star or Home Grown Player team or select soccer teams, if any (provided that bonuses (if any) for a select soccer team shall be negotiated in good faith with the

Union), and participate in any ancillary activities or competitions associated therewith. A Player participating in a national team game may not be required to participate in any MLS game within twenty-four (24) hours of the national team game, if the national team game is played within CONCACAF, or within forty-eight (48) hours if the game is outside CONCACAF. A Player may voluntarily waive this restriction.

**Section 8.4 Media Appearances:** A Player shall cooperate with reasonable requests of television, radio, newspaper, magazine and other news media representatives and agrees to cooperate with MLS and the Team, separately and together, to be available for and participate in such news media photo sessions and interviews and other media appearances as may reasonably be required. Locker rooms, however, shall be closed to the media for a minimum of fifteen (15) minutes after the game. The notice and scheduling restrictions of Section 8.11, below, shall not apply to media appearances.

**Section 8.5 Promotional Appearances:** Upon request by his Team or MLS, a Player shall be required to make a reasonable number of promotional appearances on behalf of MLS, his Team and/or the game of soccer as set forth in this Section.

(a) In each year of a Player's contract, he may be required to make up to three (3) promotional appearances without additional compensation. Every additional promotional appearance shall be compensated at a minimum of \$350.

(b) A Player may not be required to make more than two (2) promotional appearances per week or twenty-four (24) promotional appearances per year.

(c) Players shall be given a reasonable amount of time between the end of training and commencement of a promotional appearance. If a promotional appearance is scheduled within two hours after the end of training, a meal must be provided by the Team. Such meal shall be reasonable under the circumstances.

(d) No promotional appearance shall be more than two (2) hours in length excluding travel time. Travel time shall be determined from the location where the Player is required to report for duty prior to departing for the promotional appearance, for example, the Team's training facility or stadium, and shall include the time to return after the promotional appearance to such location. The Player shall receive \$50 for each hour (or portion of an hour) of total travel time above one (1) hour. Travel time shall not exceed three (3) hours, provided however, that if a promotional appearance involves travel in excess of three (3) hours, the Team or League must obtain the Union's consent for such an appearance, which consent shall not be unreasonably withheld.

(e) Promotional appearances may include, but shall not be limited to, youth organizational visits, award shows, projects and programs; skills shows, talks, speeches, autograph signings, clinics, or hospitality or promotional events involving or relating to the Player's Team or MLS. No promotional appearance shall be made on behalf of a commercial sponsor; nor shall such appearance require a Player to endorse or to give a testimonial for any product or service.

(f) Promotional appearances shall not be scheduled during a Player's day off or a travel day or game day. No Player shall be required to make more than four (4) promotional appearances in a

year unless seven (7) other Players on the Player's Team have made at least three (3) promotional appearances during that year.

(g) In the Team's discretion, unpaid promotional appearances may be used for additional unpaid post-game autograph session appearances.

**Section 8.6 Commercial Appearances:** A Player shall not be obligated to make appearances for the primary purpose of promoting Commercial Affiliates or a commercial enterprise other than MLS or its Team(s), but if he does so at the request of MLS, or its Team(s), he shall be paid a minimum appearance fee of \$1,000 for each appearance the Player makes for a national Commercial Affiliate or commercial enterprise, and a minimum appearance fee of \$500 for each appearance the Player makes for a local Commercial Affiliate or commercial enterprise (which may be a local affiliate of a national sponsor).

**Section 8.7 Soccer Camps:** At the request of his Team or MLS, a Player shall work one (1) day each year at a Soccer Camp as directed, without additional compensation, provided that participants in such Soccer Camp are not being charged a fee to participate. Additional Soccer Camp work may be made available to the Player by MLS or the Team, participation and compensation for which shall be treated in the same manner as a Commercial Appearance under this Article. The Player acknowledges and agrees that, because of the possibility that sponsoring, promoting, conducting or participating in or maintaining an ownership interest in non-MLS soccer camps may interfere with his obligations under this CBA and his Player Agreement and/or interfere with such Soccer Camps, he shall not sponsor, promote, conduct, participate in or maintain an ownership interest in any Soccer Camps during the Term of this CBA. Notwithstanding the above limitations, during the Off-Season, a Player may participate in any capacity in a Player Soccer Camp, which shall be of a definite duration and shall not be an academy or youth club with ongoing operations. During the Off-Season, such Player Soccer Camp may be in any location. During the Regular Season and Post-Season, such Player Soccer Camp participation may not be within forty-five (45) miles of a Team's stadium. A Player may act as a coach for a youth soccer club at any time and place, provided that the Team may withhold consent to the Player's participation where such activity would interfere with a business activity of the Team. Such consent shall not be unreasonably denied.

**Section 8.8 Bulk Autograph Signing:** Players may be required to participate in bulk autograph signing of items mandated by their Team or MLS, provided that Players receive a minimum of twenty-four (24) hours' notice of any such bulk autograph signing, and no Player is required to sign more than twenty-five (25) items on any day. With respect to Players participating in the All-Star Game, upon a minimum of twenty-four (24) hours' notice, such Players may be required to sign up to seventy-five (75) items on any day while participating in All-Star Game events.

**Section 8.9 Charitable Appearances:** Upon request by his Team or MLS, a Player shall be required to make a reasonable number of charitable, public service or other community service event appearances, which shall be unpaid and shall not count as a promotional appearance. Sponsor presence at a charitable appearance is permitted provided that the focus of the event is charitable. An appearance for a Team or League foundation (e.g., Chicago Fire Foundation or MLS WORKS) is to be treated as a non-charitable promotional appearance in the event that (i) Team or League personnel are present at the event to sell tickets or gather contact information to be used to market or promote the Team or League, or (ii) it involves raising funds for such foundation and one-

hundred percent of the funds raised are not directly collected for or passed on to a 501(c)(3) charity (or its Canadian equivalent). For clarity, any appearance on behalf of MLS WORKS in connection with the Season Kick-Off, All-Star Game, and MLS Cup shall be considered charitable and unpaid.

**Section 8.10 Post-Game Autograph Sessions:** Upon request by his Team or MLS, a Player shall be required to make a reasonable number of post-game autograph session appearances at the site of the game. In each year of a Player's contract, he may be required to make up to two (2) such post-game autograph session appearances without additional compensation. Each additional post-game autograph session appearance shall be compensated at a minimum of \$225. Post-game autograph signings that are not organized by the Team or League (e.g., Players unilaterally signing for fans) shall not be compensated. A Player shall be given at least twenty-four (24) hours' notice of a post-game autograph session appearance, and such appearance(s) shall not exceed thirty (30) minutes. For Players on the eighteen (18) man roster for the game, a post-game autograph session shall start approximately thirty (30) minutes after the end of the game, except for a single fan appreciation game each season, in which case, the post-game autograph session may start earlier than (including immediately following) thirty (30) minutes after the end of the game. For Players not on the eighteen (18) man roster for the game, post-game autograph sessions may start earlier than thirty (30) minutes after the end of the game.

**Section 8.11 Notice and Payment for Appearances:**

(a) For any appearance under this Article 8, other than media appearances, post-game autograph sessions and bulk autograph signing, Players shall receive a minimum of five (5) days' written notice. All appearance notices under this Article shall be copied to the Union by e-mail at an address to be provided by the Union.

(b) Payments for appearances made under this Article 8 shall be made to the Player within thirty (30) days of the appearance, and to ensure timely payment, the League will designate a League employee to collect Player expense reimbursement submissions from the Teams and track all Player expense reimbursement. This information shall be shared with the Union on a bi-weekly basis. The League will share the designated employee's contact information with the Union and Players and such employee will be available to assist the Players.

## ARTICLE 9

### MEDICAL EXAMINATIONS; INJURY GUARANTEE

#### Section 9.1 Medical Examinations and Information:

(i) Prior to the start (including, during the season, when a Player first joins his Team) and at the conclusion of each League Season, Players shall submit to complete medical examinations by a physician designated by MLS, at times designated by MLS and at MLS's expense. Such medical examinations may include, without limitation, blood tests (including vial blood tests) which shall be subject to the limitations in Section 9.1(ii). The Player shall answer completely and truthfully all questions asked of him concerning his physical and mental condition. All medical examinations shall be completed using the appropriate medical examination forms set forth as Exhibit 7.

(ii) Blood tests (including vial blood tests) (whether Pre-Season or at other times) may be conducted for the purposes of: (1) analyzing the nutritional needs of the Player, (2) ensuring the Player's health and safety, or (3) as part of a fitness related regime. Results of such blood tests shall be treated as a confidential medical record but results relevant solely with respect to the Player's performance may be reviewed (but not shared) with the coaching staff, technical director and other relevant Team, League, USSF and CSA personnel. Notwithstanding the above, the results may be shared with (i.e., forwarded to) the medical staffs of any of the above entities; provided that, to the extent that such results are made available to non-medical personnel of the above entities, the results will be reviewed (but not shared) with such individuals. The results of a Player's blood tests shall be shared with and explained to the Player by the Team medical staff.

(iii) In addition to the Pre-Season and end of League Season medical and physical examinations, Players may also be required to submit, on reasonable dates and times at the expense of MLS, to such reasonable additional medical examinations including blood tests (subject to the limitations in Section 9.1 (ii)) as may be requested by his Team or MLS.

(iv) The Player is required to execute and maintain in effect any authorizations required to release all of his medical records to MLS and/or Team physicians, relevant officials, and to the workers' compensation insurance carrier of MLS (each, an "Authorization"). It is understood that medical information relating solely to the reasons why such Player has not been, is not or may not be rendering services as a Player may be released to the public by MLS or a Team. A medical information release in the form attached as Exhibit 2 (the "Medical Information Release") shall be executed by each Player during Pre-Season each year or upon joining MLS during the League Season.

(v) MLS and the Teams shall cooperate with all requests by a Player or former player and/or his representative(s) for copies of the Player's or former player's medical records, including athletic trainers' notes, and shall provide such records and notes within fourteen (14) days of any request by a Player or former player. When a Player is traded or re-assigned within MLS, his medical records, including athletic trainers' notes, shall be forwarded to his new Team. When a Player is transferred outside MLS, his medical records will be forwarded upon request of the Player.

MLS and the Union will, within six (6) months of the Execution Date, meet to discuss moving to an electronic medical records system which would allow a Player to access his medical records electronically.

**Section 9.2 Fitness to Play; Injury Guarantee:**

(i) If MLS's physician determines that the Player is not Fit (unless such condition is the direct result of an injury sustained during the course of his employment as an MLS Player which, for purposes of this Section 9.2, shall include national team duty):

(a) MLS shall have the right to suspend the Player's pay for the period of such disability or other lack of Fitness;

(ii) Medical examinations to determine if a Player is Fit may be conducted after the Player signs his SPA. For Players new to the League or new to a Team, such medical examinations must be conducted within two (2) business days of the Team's actual knowledge of such Player's initial arrival in his Team's home market. For returning Team Players, medical examinations will be scheduled pursuant to Section 9.1(i). For Players new to the League, if a determination is made that the Player is not Fit as a result of this initial medical examination, MLS shall have the right to terminate the Player's SPA, provided, however, that such determination that the Player is not Fit and such termination must occur prior to the Player participating in any game or training with a Team (with or without other Players).

(iii) Subject to other provisions of this CBA, if the League or Team's physician determines that a Player is not Fit due to an injury sustained during the course of his employment as an MLS Player under a current, valid SPA, MLS shall continue to pay the Player the compensation set forth in his SPA, less any workers' compensation benefits, if any, awarded to the Player solely for lost wages for the period the Player is under contract with MLS, and not beyond:

(a) until the Expiration Date of his SPA, if the Player has a Guaranteed Contract;  
or

(b) until the next December 31, if the Player has a Semi-Guaranteed Contract.

(iv) If a Player with a Semi-Guaranteed Contract who was not Fit due to an injury sustained during the course of his employment with MLS is again found to be Fit, but such finding of Fitness to play is made after the Contract Guarantee Date or less than ten (10) days before the Contract Guarantee Date, the Team shall have ten (10) days from its receipt of notice of the Player's Fitness to play to exercise its right to terminate the Player's SPA under Article 18.7 of this CBA, notwithstanding that receipt of such notice and/or exercise of the right to terminate may be later than the Contract Guarantee Date. This provision shall also apply to the Roster Compliance Date upon which a Player's SPA otherwise would become automatically a Guaranteed Contract pursuant to Section 18.6(ii).

(v) Unless otherwise payable to the Player pursuant to MLS's workers' compensation insurance, if any, or otherwise, should the Player be injured (including the aggravation of a

preexisting injury) in the performance of his duties under this CBA during the Term of the Player's employment, MLS shall be responsible (via health insurance or otherwise) for payment of the Player's reasonable hospitalization, medical and dental expenses necessarily incurred as a result of the injury. In addition, MLS shall also be responsible for such hospitalization, medical and dental expenses for a player who is not under contract with MLS and (i) is injured in training camp; (ii) for non-rookies, for injuries suffered while out-of-contract if the player was under contract on the date of his Team's last MLS game, and: (1) the player is actively negotiating with MLS and accepts an invitation to appear at the start of an MLS Team's Pre-Season camp and the player appears at the Team's Pre-Season camp; or (2) the player is subsequently signed by MLS on or before the next Roster Compliance Date; and (iii) who is on trial with a Team, except for those players for whom a club or agent has provided written acceptance of responsibility for medical costs, in which case the player agrees that his only course of action or redress is against such club or agent. For purposes of clarification, a player who was on the most recent SuperDraft list shall not be considered to be on trial, and MLS shall be responsible for the hospital, medical and dental expenses of such player if he is injured during any Team training or game. All treatment received by Players under this subsection shall be at the direction and prior approval of MLS, the Team, and/or the insurance company of MLS, provided that any surgical or other invasive procedure shall be with the prior written approval of MLS, the Team and/or the MLS's insurance company.

### **Section 9.3 Disputes Concerning Player's Medical Condition or Course of Treatment:**

(i) The following procedures shall be used to determine a Player's fitness to play professional soccer (including whether the Player is, in fact, Fit, and whether such condition is by reason of an injury sustained during the course of his employment as an MLS Player):

(a) The initial determination of Fitness shall be made by a physician of the League or the Player's Team. Such League/Team physician shall evidence his determination by completing the form attached hereto as Exhibit 8, which shall be provided to the Player and Team no later than forty-eight (48) hours after the completion of the examination.

(b) If the Player wishes to contest the determination of the League/Team physician, he must be examined by his own physician within seven (7) days of receiving the determination of the League/Team physician or later upon a showing of extraordinary circumstances. This second opinion shall be subject to the provisions of Section 9.4. The physician for the Player shall evidence his determination by completing the form attached hereto as Exhibit 9, which shall be provided to the Player's Team no later than forty-eight (48) hours after completion of the examination.

(c) Should the physician for the Player disagree with the determination of the physician for the League or his Team, the two physicians shall consult as expeditiously as possible and no later than seventy-two (72) hours (or later upon a showing of extraordinary circumstances) after the Player receives the determination by the Player's physician. The physicians shall evidence the result of their consultation, i.e., whether they agree or disagree as to the relevant medical issue(s) by completing the form attached hereto as Exhibit 10, which shall be provided to the Player and Team no later than forty-eight (48) hours after the consultation.



(d) In the event the physician for the Player and the physician for the League/Team do not reach agreement as to the relevant medical issue(s), the relevant medical issue(s) shall be conclusively resolved by an Independent Physician selected by said physicians within the seventy-two (72) hour period in subpart (c) above. In the event said physicians cannot agree on the physician to be the Independent Physician, an appropriate qualified specialist shall be designated by the President of the state or provincial medical society in the state or province in which the Team is located.

(e) The Player shall be examined by the Independent Physician within seven (7) days of his selection, or later upon a showing of extraordinary circumstances. The Independent Physician shall make a determination of the relevant medical issue(s) and evidence such determination by completing the form attached as Exhibit 11, which shall be provided to the Player and Team no later than forty-eight (48) hours after the completion of the examination.

(f) The parties recognize the need for expedition of this process and will cooperate to that end. The Independent Physician is authorized only to make medical determinations, and such determinations shall be final and binding.

(ii) If the Player fails to appear for a medical examination scheduled by his Team or the League and of which he had clear notice, he may not assert that, prior to such scheduled exam, he was not Fit due to an injury sustained during his employment as an Player. In the event, however, that the Player has a demonstrable short-term medical or family emergency that prevents him from attending this examination, the Player must give MLS prompt notice of such emergency, in which event the Player's examination will be delayed, provided that in no event may the Player's examination be delayed by more than one week.

(iii) If the Player has acknowledged participating in, or is held to have participated in, hazardous activities and/or athletic sports in violation of Article 16 during a time period relevant to his injury, it shall be the Player's burden to prove that such prohibited activity did not cause or contribute to the disabling injury.

**Section 9.4 Second Opinion:** If the League's or the Player's Team's physician or medical staff recommends treatment, or does not recommend treatment, for the Player for a soccer-related injury, the Player shall be entitled to request and receive a second opinion as to the advisability of such treatment, or lack of treatment; provided that (i) the opinion must be with a licensed medical physician in the United States or Canada, and (ii) if the second opinion licensed medical physician is outside the geographical area in which the Team is located, MLS and/or the Team is not required to reimburse for travel (air, mileage, hotel and meals). The results of any second medical opinion shall be promptly provided to the Team's medical staff. Should the League and/or Team physician and the second opinion physician disagree as to the appropriate course of treatment, the dispute shall be resolved by the Independent Physician pursuant to Sections 9.3(i)(d), (e) and (f). The Player shall be in breach of this CBA if he fails promptly to submit to treatment recommended hereunder by the League or Team physician or, if applicable, the Independent Physician.

**Section 9.5 Duty to Notify of Physical Condition:** The Player agrees immediately to notify the Team's coach, athletic trainer or physician of any illness or injury contracted or suffered by him

which may impair or otherwise affect, either immediately or over time, his ability to play skilled professional soccer.

**Section 9.6 Choice of Surgeon:** In the event that a Player requires surgery, the Player may elect to have surgery performed by a surgeon approved by the Team or from a list of surgeons agreed upon by MLS and the Union.

**Section 9.7 Allegiance of Team Health Care Professionals:** The primary professional duty of all individual health care professionals (such as Team physicians, athletic trainers, physical therapists, chiropractors, dentists and neuropsychologists) providing health care to a Player, shall be to the Player-patient regardless of the fact that the health care professional or his/her hospital, clinic, or medical group is retained by such Team to diagnose and treat Players. In addition, all individual health care professionals, such as Team physicians, who are examining and evaluating a Player shall be obligated to perform complete and objective examinations and evaluations and shall do so on behalf of the Team and League, subject to all professional and legal obligations vis-à-vis the Player-patient.

**Section 9.7 Standard of Care:** Each Team shall provide its Players with high quality health care that is reasonably appropriate to their needs as elite professional soccer players, including access to health care professionals, in accordance with the requirements set forth in this Article.

**Section 9.8 Best Practices:** After the Execution Date, the League and the Union will meet to agree on a side letter/provision to include in the CBA regarding the required number of medical/training personnel each Team shall retain (e.g., Team physician, athletic trainers, therapists, and appropriate minimum certification requirements for such personnel).

**Section 9.9 Concussion Protocol:** Professional soccer, like all professional team sports, involves inherent risk of injury. Therefore, the assessment and management of suspected and actual concussions received by Players shall be performed pursuant to the Concussion Protocol designed by MLS and which MLS and the Union have agreed to attach as Exhibit 12 to the CBA (the “Concussion Protocol”). The Concussion Protocol is administered and applied by MLS.

**Section 9.10 Physiological Monitoring/Testing:** MLS and/or Team medical staff may conduct physiological testing throughout the Pre-Season and League Season and, at other times, in connection with training. Such physiological testing may include, without limitation: heart rate, body fat, VO2 max, omega wave and urine hydration testing. The League and Team may share the results of such physiological testing with the coaching staff, technical director and other relevant Team, League, USSF and CSA personnel. The League shall provide an annual training seminar at MLS combine, or at another event, prior to the start of the Pre-Season to educate all coaches on how to read and analyze the results of such physiological testing. The League and Team shall share the results of such physiological testing with the Player. The results of the physiological testing shall not be publicly disseminated unless consented to by the Union. Performance measures or metrics that are based on, but do not disclose, heart rate or another physiological response (e.g., “exertion rate,” heart rate percentage above baseline, etc.) may be publicly disseminated provided that before doing so, the League conduct a dialogue with the Union in a manner consistent with Article 5 for subjects on which the Union waived its right to bargain. The League or Team may require a Player to wear any physiological monitoring device during or in connection with training. A Player shall not be required to wear any physiological monitoring device in a game unless the device in question

does not, in the reasonable judgment of the Commissioner after having consulted with the Union, impede an athlete's performance.

## ARTICLE 10

### COMPENSATION, EXPENSES AND LEAGUE PLAYER EXPENDITURES

**Section 10.1 Senior Minimum Salary:** The minimum annual base salary (excluding bonuses and other incentive compensation) for each year of a Player's contract other than a Player who may be paid the Reserve Minimum Salary (pro-rated for the period of the Player's employment with MLS during such year) (the "Senior Minimum Salary") shall be as follows:

2015:	\$60,000
2016:	\$62,500
2017:	\$65,000
2018:	\$67,500
2019:	\$70,250

**Section 10.2 Reserve Minimum Salary:** The minimum annual base salary (excluding bonuses and other incentive compensation) for each year of a Reserve Player's contract (pro-rated for the period of the Player's employment with MLS during such year) (the "Reserve Minimum Salary") shall be as follows, provided the Reserve Player meets the requirements to be paid the Reserve Minimum Salary:

2015:	\$50,000
2016:	\$51,500
2017:	\$53,000
2018:	\$54,500
2019:	\$56,250

In addition, Reserve Players earning less than the Senior Minimum Salary shall receive a \$500 bonus for each appearance they make with the first team in an MLS game during the League Season, and an additional \$750 for each MLS game they start for the first team during the League Season. For avoidance of doubt, any Reserve Player earning less than the Senior Minimum Salary shall receive an additional \$1,250 for each game he starts for the first team during the League Season.

In the event a Reserve Player's SPA is extended beyond December 31 of the second year of his employment, he shall be paid at least the Senior Minimum Salary. In the event MLS/Team does not extend the employment of a Reserve Player beyond the second year, MLS/Team and the Player may agree to sign a new SPA, pursuant to which, the Player is a Reserve Player provided he continues to meet the age requirement set forth in Article 2.

**Section 10.3 MLS Bonus Pools:** The following Team bonuses will be paid into the Team Bonus Pool for the applicable Team:

- MLS Cup Champion: \$275,000
- MLS Cup Runner-Up: \$80,000
- Supporters' Shield Winner:
  - 2015 – 2016: \$55,000 (in lieu of, not addition to, the Conference Champion bonus or Qualify for Playoffs bonus)
  - 2017 – 2019: \$130,000 (in lieu of, not addition to, the Conference Champion bonus or Qualify for Playoffs bonus)
- Regular Season Conference Champion: \$35,000 (in lieu of, not addition to, Qualify for Playoffs bonus)
- Qualify for Playoffs: \$20,000 (non-Conference Champion and non-Supporters Shield Winner)
- Regular Season Game Winner:
  - 2015: \$7,500
  - 2016: \$7,500
  - 2017: \$7,500
  - 2018: \$7,500
  - 2019: \$7,500
  - The Regular Season win bonuses will be distributed, at the Union's direction, to a particular Team on a monthly basis. Otherwise, the Team Bonus Pool will be distributed, at the Union's direction, at the end of the League Year.

Notwithstanding the above, in the event of format changes, MLS and the Union shall meet and confer concerning amendments to the above bonus schedule. In no event shall the total dollar amount of the bonus pools decrease as a result of format changes.

**Section 10.4 Tournament Bonus Pools:** The following Team bonuses will be paid into the Team Bonus Pool for the applicable Team:

(i) Lamar Hunt U.S. Open Cup: US Soccer will pay these bonuses or such other sums, if any, that US Soccer may make available. If US Soccer does not pay such bonuses, MLS will have no obligation to do so.

- USOC Champion: \$250,000
- USOC Runner-Up: \$60,000

(ii) Canadian Championship: CSA may pay such bonus and if it does, MLS will be relieved of its payment obligation.

- Canadian Championship Champion: \$50,000

(iii) CONCACAF Champions League: MLS will pay the following bonuses which are not aggregate:

- Preliminary Win: \$3,000
- Qualify for Group Stage: \$40,000
- Group Stage Win: \$4,000
- Team advances to quarter final: \$35,000
- Team advances to semi-final: \$40,000
- Team advances to final: \$45,000
- Team wins final: \$50,000

Notwithstanding the above, in the event of CONCACAF Champions League format changes, MLS and the Union shall meet and confer concerning amendments to the above bonus schedule.

- (iv) US-Mexico Champions Cup (if played): MLS will pay the following bonuses which are not aggregate, unless prize money is awarded, in which case Section 10.4(vi) shall apply if it would result in a greater bonus:

- Team plays in Champions Cup: \$100,000
- Team wins Champions Cup: \$50,000

(v) Other US-Mexico Tournament: If MLS creates a US-Mexico Non-Compulsory Tournament distinct from the US-Mexico Champions Cup, MLS will determine the bonus structure for such tournament after engaging in good faith negotiations with the Union.

(vi) Compulsory Tournament/Non-Compulsory Tournament: If an MLS Team or MLS receives prize money by virtue of the Team's performance and/or participation in a Compulsory Tournament or Non-Compulsory Tournament (other than the tournaments set forth above i.e., US Open Cup, Canadian Championship, CCL), Players competing in that tournament will receive the following:

- If the Team or MLS receives prize money, fifty percent (50%) of such prize money up to a maximum payment to the Players (collectively) of \$750,000 per tournament.

**Section 10.5 Exhibition Games Bonus Pools**: For home and away exhibition games from the first day of the MLS Regular Season through December 31<sup>st</sup>, MLS will pay the following bonuses into the Team Bonus Pool for the applicable Team:

i. Tier 1 Exhibition Games: For Tier 1 Exhibition Games, MLS shall pay in to the applicable Team's Bonus Pool, \$54,000. A Tier 1 Exhibition Game is a game in which an MLS Team plays against a team that, as of the date of the exhibition game, is (i) in the top division of one of the following countries and (ii) competing in the Champions League or Europa League, or if such competitions have been completed, has qualified for either competition for the following year:

- England
- France
- Germany

- Italy
- Spain

A Tier 1 Exhibition Game shall also include any games against:

- AC Milan
- Arsenal
- Bayern Munich
- Chelsea
- Chivas
- Club America
- FC Barcelona
- Liverpool
- Manchester City
- Manchester United
- Real Madrid

A Tier 1 Exhibition Game shall also include any gated match that occurs between a Team's elimination from the Post-Season and the Pre-Season Training Camp Start Date of the following season regardless of opponent. For these specific Tier 1 Exhibition Games, Team shall pay for charter or business class travel if the flying time (one-way) to participate in the game is seven hours or greater.

ii. Tier 2 Exhibition Games: For Tier 2 Exhibition Games, MLS shall pay in to the applicable Team's Bonus Pool the amounts set forth below. A Tier 2 Exhibition Game shall mean a game played against any team that is not a Tier 1 Exhibition Game:

- 1<sup>st</sup> Tier 2 Exhibition Game: No additional compensation
- 2<sup>nd</sup> or greater Tier 2 Exhibition Game: \$27,000

**Section 10.6 Team Salary Budget:**

(a) For each year covered by this Agreement, MLS agrees that the per-Team Salary Budget shall be no less than the following:

- 2015: \$3,490,000
- 2016: \$3,660,000
- 2017: \$3,845,000
- 2018: \$4,035,000
- 2019: \$4,240,000

(b) Calculation of a Player's Salary Budget Charge:

The League will determine, in its discretion, a Player's Salary Budget Charge according to the following formula, provided, however, that MLS retains discretion to lower a Player's Salary Budget Charge in individual cases:

1. taking the Player's annualized base salary, multiplying it by 1.04;
2. adding to it any signing bonus paid or payable to the Player on a cash flow basis;
3. adding to it any readily achievable individual bonuses in the Player's contract (calculated largely, but not solely, by reference to the Player's performance in the previous year). For Players new to the League or who were injured the previous year, readily achievable bonuses shall be reasonably determined by MLS after consulting with the Union;
4. adding to it any housing and car allowance in the Player's contract;
5. adding to it any loyalty bonus;
6. adding to it any additional compensation (including any roster bonus);
7. adding any marketing bonus (including footwear/gloves);
8. adding to it acquisition cost for loan/transfer;
9. adding to it cost of processing a visa or green card;
10. adding to it any fee payable to an agent or representative; and
11. adding to it any other costs involved as reasonably determined by MLS after consulting with the Union.

(c) The Maximum Salary Budget Charge for a Player shall be no more than 12.5% of the Team Salary Budget. MLS may reduce the per Player Maximum Salary Budget Charge percentage in its sole discretion; provided that, for purposes of Article 29, the Maximum Salary Budget Charge shall be set at 12.5% of the Team Salary Budget.

(d) The full-season Designated Player Charge to a Team's Salary Budget shall be set at not more than 12.5% of the Team Salary Budget. MLS may reduce the Designated Player Salary Budget Charge percentage in its sole discretion.

(e) The mid-season Designated Player Charge to a Team Salary Budget shall be set at not more than 6.25% of the Team Salary Budget. MLS may reduce the mid-season Designated Player Salary Budget Charge percentage in its sole discretion.

(f) The Union will have the right to inspect, for confirmation purposes and on a confidential basis, each Player's Salary Budget Charge.



(g) In any instance in which MLS lowers a Salary Budget Charge, the lower Salary Budget Charge will not be locked-in as a new ceiling for that Salary Budget Charge.

(h) Salary Budget Floor. MLS agrees that each year the League will spend on a League-wide basis a minimum of 95% of the combined Team Salary Budgets set forth in Section 10.6(a) above. For purposes of calculating the minimum spend, the Team Salary Budgets shall be measured in accordance with Section 10.6(b) at the time of the Roster Freeze Date and will also include any buyouts from the same League Year other than buyouts under Section 10.22. To the extent the League is under the salary budget floor at the time of the Roster Freeze Date, the League will have the right to make-up the underspend by the Roster Freeze Date in the immediately subsequent League Season.

**Section 10.7 Ability to Qualify for Bonuses:** MLS will not attempt to influence or dictate Team decisions concerning playing time or All-Star selection for the purpose of affecting a Player's ability to qualify for bonuses and/or base salary adjustments specified in his SPA, nor will a Player's entitlement to a bonus influence whether he is named to the Best Eleven Team, or whether he receives any other award. Team decisions concerning playing time or All-Star selection shall not be based in any way on the Player's ability to qualify for bonuses and/or base salary adjustments specified in his SPA. Commissioner-picks for All-Star status do not violate this provision, provided, however, that whether a Player is entitled to a bonus and/or base salary adjustment for achieving All-Star status shall not influence whether a Player is named as a Commissioner-pick. Further, so long as a Player has an individual bonus that is contingent upon the maintenance of such an award or statistic, the Player will have the right to earn such bonus.

**Section 10.8 Retirement Plan:**

(i) A 401(k) plan shall be maintained allowing elective deferrals (i.e., Player contributions). Player contributions will be allowable up to the I.R.S. limit. A Canadian plan will be structured to match the contribution formula in subparagraph (iii) as closely as possible.

(ii) MLS shall provide each Player with enrollment information and the documents necessary for enrollment.

(iii) Regardless of whether the Player makes a Player contribution, MLS will make the following employer contributions (within IRS limits) to the 401(k) account of each Player who enrolls, based upon the base salary paid to each Player in each pay period:

2015: 3.75 percent of the Player's base salary

2016: 3.75 percent of the Player's base salary

2017: 3.75 percent of the Player's base salary

2018: 3.75 percent of the Player's base salary

2019: 3.75 percent of the Player's base salary

The 2015 401(k) rate will be effective as of March 1, 2015.

- (iv) Player contributions and MLS's employer contributions shall vest immediately.
- (v) A Roth 401(k) plan shall be offered as an option for Players' elective deferral of income into their 401(k) accounts.

**Section 10.9 Per Diem Allowance/Meals:** Player per diem while on an MLS road trip shall be paid at the rates set forth below. When a Team is on the road for less than a full day, a partial per diem shall be paid, based upon the time of departure from or arrival in the Team's home city:

(i) Departure after 9:00 a.m./arrival before 7:00 a.m., and the Team does not hold a practice, required meeting or any other event requiring a Player's attendance between 7:00 a.m. and 9:00 a.m., lasting more than thirty (30) minutes - no breakfast expense;

(ii) Departure after 1:00 p.m./arrival before 11:30 a.m., and the Team does not hold a practice, required meeting or any other event requiring a Player's attendance between 11:30 a.m. and 1:00 p.m., lasting more than thirty (30) minutes - no lunch expense;

(iii) Departure after 7:00 p.m./arrival before 5:30 p.m., and the Team does not hold a practice, required meeting or any other event requiring a Player's attendance between 5:30 p.m. and 7:00 p.m., lasting more than thirty (30) minutes - no dinner expense.

(iv) If a road trip is 3 days or less, the total trip per diem shall be paid in a lump sum at the time of departure. If longer than 3 days, per diem may be paid in two (2) equal payments.

(v) A Team may arrange for prepared meals for all or part of the per diem if it chooses provided that such meals are reasonably in line with the per diem level. Airline meals shall not cause a reduction in the per diem allowance. Per diem money lost by a Player will not be replaced.

(vi) Rates

2015: \$74.00 (\$18 for breakfast; \$23 for lunch; \$33 for dinner)

2016: \$81.00 (\$21 for breakfast; \$25 for lunch; \$35 for dinner)

2017: \$88.00 (\$21 for breakfast; \$28 for lunch; \$39 for dinner)

2018: \$94.00 (\$22 for breakfast; \$31 for lunch; \$41 for dinner)

2019: \$100.00 (\$23 for breakfast; \$33 for lunch; \$44 for dinner)

In addition to the above amounts, Players will receive \$20 per day on an MLS road trip for incidental expenses.

(vii) Pre-Training and Post-Training Meals. Teams will provide reasonable pre-training and post-training meals. A reasonable pre-training meal means, at a minimum, a cold, continental breakfast.

**Section 10.10 Travel Expenses:** For travel to the airport, or if traveling by means other than air, to the applicable station, each Team, in its sole discretion, will provide either (i) a Team bus to the

airport from the practice facility or stadium or (ii) will reimburse the Player for reasonable non-satellite parking.

Each Team shall provide or arrange for appropriate automobile parking spaces for Players at its home stadium and practice facility on game and practice days, without cost to the Players.

Teams shall designate a practice facility at least 45 days in advance of first training session in the Team's home market.

If the practice facility is relocated during the year such that a Player has to travel more than an additional 15 miles to training then that impacted Player will be reimbursed for reasonable travel costs in excess of the prior total commuting distance plus 15 miles. For example, if a Player's commuting distance was 10 miles and the training facility is relocated such that the Player's commuting distance is now 30 miles, the Player would be reimbursed for 10 additional miles of travel expense (5 miles each way).

**Section 10.11 Relocation Expenses:** Players shall be reimbursed for reasonable expenses necessarily incurred in relocating to the Player's new Team city, according to the following terms:

(i) First-Time Professional Players: Each Player for whom his MLS SPA is the first professional contract he has signed shall be entitled to:

(a) select either to (1) be reimbursed for up to \$7,500 in reasonable and necessary, documented relocation expenses, or (2) receive a cash stipend payment of \$5,000;

(b) Housing expenses and per diem for up to fourteen (14) days;

(c) A rental car for up to ten (10) days (if the Player does not have a driver's license, reasonable transportation expenses will be reimbursed); and

(d) Coach air fare for the Player and his Immediate Family, or if the Player and/or his Immediate Family reasonably choose to travel by automobile, reimbursement at the I.R.S. mileage rate, between the Player's home and the metropolitan area in which his Team is located.

(e) For purposes of this paragraph, contracts entered into by a Home Grown Player or college-protected player with a lower division team or league in the United States or Canada shall not be deemed a "professional contract."

(ii) Other First-Time MLS Players / Players Returning to MLS: Each Player for whom his MLS SPA is not the first professional contract he has signed shall be entitled to:

(a) Up to \$7,500 in reasonable and necessary, documented relocation expenses;

(b) Housing expenses and per diem for up to fourteen (14) days;

(c) A rental car for up to ten (10) days (if the Player does not have a driver's license, reasonable transportation expenses will be reimbursed); and

(d) Coach air fare for the Player and his Immediate Family, or if the Player and/or his Immediate Family reasonably choose to travel by automobile, reimbursement at the I.R.S. mileage rate, between the Player's home and the metropolitan area in which his new Team is located.

(iii) Traded or Reassigned Players: When a Player is traded or otherwise reassigned to a new Team, he shall be entitled to:

(a) Reimbursement for all reasonable and necessary, documented relocation expenses;

(b) Reimbursement for rent or mortgage payments if the Player is legally obligated to make such payments at his prior residence, provided that the obligation to pay such reimbursement shall not exceed a three (3) month reimbursement period and shall be limited to a total reimbursement of \$13,000;

(c) Housing expenses and per diem for up to twenty-one (21) days;

(d) A rental car for up to ten (10) days (if the Player does not have a driver's license, reasonable transportation expenses will be reimbursed);

(e) Two round-trip, coach class plane tickets for the Player back to the prior city and one round-trip, coach class plane ticket for each member of the Player's Immediate Family back to the prior city; and

(f) A stipend of \$3,000 (as set forth in Section 15.1).

(iv) Terminated Players: When a player's SPA is terminated, he shall be entitled to:

(a) Reimbursement for all reasonable and necessary, documented relocation expenses in moving from the player's Team's metropolitan area to his home town;

(b) Reimbursement for rent or mortgage payments if the player is legally obligated to make such payments at his prior residence, provided that the obligation to pay such reimbursement shall not exceed a two (2) month reimbursement period and shall be limited to a total reimbursement of \$5,000;

(c) One-way coach airline tickets for the player and his Immediate Family to his home town, or if the player and his Immediate Family choose to travel by automobile, at the I.R.S. rate for such travel.

(d) If a player is terminated prior to the Roster Compliance Date in the initial year of his SPA, and (1) he was provided notice in writing that he should not relocate to the Team's metropolitan area until on or after the Roster Compliance Date, and (2) he was provided with housing expenses from the commencement of his SPA to the date of termination, such player shall not be entitled to expenses set forth in subsection (iv)(a) and (iv)(b).

(v) No relocation expenses shall be payable where the assignee Team's or terminating Team's primary practice facility is located within reasonable commuting distance from the player's home. However, a reassigned or terminated player shall be entitled to relocation expenses to move to his home town from his Team's city, even where the player maintains a residence in the Team's city.

(vi) Expired SPAs: Players whose SPAs expire (including where MLS declines to exercise an SPA option to extend) are not entitled to relocation expenses, except that such player shall be entitled to coach airline travel to his home city.

(vii) SPA Schedules: All SPA Schedules shall contain a section for moving expenses as follows:

“Moving Expenses: The Collective Bargaining Agreement between MLS and the MLS Players Union requires MLS, at a minimum, to reimburse Players to move their goods as follows: (a) for a professional for whom his MLS SPA is not his first professional contract, up to \$7,500 in reasonable and necessary, documented relocation expenses, or (b) for players signing their first professional contract, or Home Grown Players or college-protected players from teams or leagues in lower divisions in the U.S. and Canada, up to \$7,500 in reasonable and necessary, documented relocation expenses, or if the Player chooses, a \$5,000 cash stipend which will be treated as taxable income to the Player. MLS agrees to provide the Player with additional relocation expenses as follows:[ ].”

**Section 10.12 Training Camp Expenses:** Any player who is in a Team's Pre-Season training camp, is not under contract, and who was: (i) on the draft list, (ii) on a roster during the previous year, (iii) or is a Home Grown Player, shall receive per diem and housing, unless such player lives within reasonable commuting distance from the applicable training site.

**Section 10.13 Reimbursement of Expenses:** Subject to submission of expense reports (within sixty (60) days of when such expenses are incurred), MLS shall reimburse the Player within thirty (30) days for all reasonable and necessary out-of-pocket expenses that the Player incurs in connection with: (i) medical appointments outside the Team's facility; and (ii) any appearances, skills demonstrations, and duties as a spokesman, which are requested by MLS or the Team. Mileage reimbursement for transportation that is not provided by MLS or an MLS Team shall be at the current Internal Revenue Service rate. Meal reimbursement shall be for the amount of reasonable meals with receipts, or for the per diem amount if the Player does not provide a receipt.

Reimbursements for relocation expenses under Section 10.11 are subject to the requirement that the Player provide advance written notice to the Team or MLS of such expenses and that the Player

receive advance written authorization for such expenses. Such authorization may be withheld only if the Team or MLS provides a reputable moving company to accomplish the Player's move. For clarity, the Team has the right to require a Player to use a Team-designated moving company. The Player shall submit his receipts for reimbursement of relocation expenses within sixty (60) days of the expenditure(s), and MLS or the Team shall reimburse the Player for such expenses within thirty (30) days of receiving such expenses.

To ensure timely payment of all reimbursements, the League will designate a League employee to collect Player expense reimbursement submissions from the Teams and track all Player expense reimbursement. Such information will be shared with the Union on a bi-weekly basis. The League will share the designated employee's contact information with the Union and Players and such employee will be available to assist the Players.

**Section 10.14 Frequency of Payment:** Payment of Player salaries shall be in consecutive semi-monthly installments, pro-rated for any portion of the month in which the Player is employed by MLS.

**Section 10.15 Direct Deposit:** Players may elect to have their paychecks directly deposited at any financial institution that accepts direct deposit. For Players in the U.S., direct deposit at a U.S. bank, and for Players in Canada, direct deposit at a U.S. or Canadian bank.

**Section 10.16 Generation adidas / Home Grown Player Spend:** MLS will maintain the 2014 Generation adidas average per team spend during the term of the CBA, provided that MLS may spend such amounts on other "off budget" programs as determined by MLS (e.g., Home Grown Players). MLS may spend up to ten (10%) less in any given year, provided that such unspent amount is carried forward to the following year and all such money is spent prior to the expiration of the CBA. This amount shall not be applied against a Team's Salary Budget.

**Section 10.17 End of Season Allocation:** The "End of the Season" allocation amounts shall be a minimum of \$250,000 multiplied by the number of Teams that do not make the Post-Season in such year. MLS retains the discretion to distribute the total in different allocation amounts among each Team (whether or not such Team makes the Post-Season) provided the amounts are distributed among a number of Teams equal to at least two less than the number of Teams that do not make the Post-Season. MLS may increase its spend on such allocations in its sole discretion. In the event MLS increases its spend on such allocations, the increased spend will not be locked-in as a new required minimum spend.

**Section 10.18 Expansion Allocations:**

(a) An expansion allocation shall be awarded to new Teams in those Teams' first year in MLS at a minimum of \$1,100,000 per expansion Team (\$500,000 from MLS and \$600,000 from the Team). MLS may increase either the total allocation per expansion Team or its portion of such allocation at its discretion.

(b) In addition, in any expansion year, MLS will distribute a total allocation pool of \$100,000 multiplied by the number of previously existing Teams in MLS. MLS may distribute the allocation pool in its discretion, provided that no portion a Team receives is less than \$50,000 in allocation money. MLS may increase the total allocation pool in its discretion.

**Section 10.19 Additional Allocations:**

(a) Each Team will receive an annual allocation amount which may be used to reduce the Salary Budget Charge of any Player consistent with the current Competition Guidelines regarding allocations:

2015: \$150,000  
2016: \$150,000  
2017: \$200,000  
2018: \$200,000  
2019: \$250,000

(b) Each Team will also receive an annual allocation amount which may be used as set forth in Section 10.21 of no less than:

2015: \$100,000  
2016: \$100,000  
2017: \$100,000  
2018: \$100,000  
2019: \$100,000

The League may, in consultation with the Union, create rules for the targeted spend of the allocation in Section 10.19(b).

(c) MLS shall retain the discretion to award additional allocations and/or to increase allocation amounts provided that it consults with the Union prior to doing so. MLS is not required to consult with the Union on allocations granted to Teams as a result of recognized transfer or loan revenues.

(d) Competition Allocation: A total allocation of at least \$200,000 will be made available for Teams participating in non-MLS competitions, e.g., CONCACAF Champions League, U.S. Open Cup, Canadian Cup, among others. The basis for such allocations shall be at the discretion of MLS, provided that at least \$200,000 is made available.

(e) Transfer/Loan Allocation: In the event a Player is transferred or loaned outside of MLS, a Team shall be allowed to receive a portion of the transfer revenue in accordance with the League/Team split (as determined by MLS), and may use up to \$650,000 of such split as an allocation.

(f) Third Designated Player: A Team that has a third Designated Player shall make an annual payment of one hundred fifty thousand dollars (\$150,000) to the League for each season that it carries three (3) Designated Players. The annual payment shall not apply if any of the three (3) Designated Players are Young Designated Players. The third Designated Player payments shall be split among Teams with two or fewer Designated Players as allocation pursuant to the Competition Guidelines. The League may reduce or eliminate such third Designated Player annual payments in its discretion, provided that it replaces the amounts that are reduced or eliminated with new

allocations that may be used consistent with the other non-targeted allocations in this agreement (e.g., “Failure to Make the Playoffs” allocation) and the Competition Guidelines (i.e., such new allocations may be used to buy down a Player’s Salary Budget Charge). Such new allocation amount shall be equal to the average amount paid by the Teams with three (3) Designated Players over the previous three (3) seasons.

**Section 10.20 Allocation Notification:** MLS shall notify the Union within five (5) business days of awarding an allocation to any Team, and shall, upon request provide the Union with a copy of the amount of allocation used/outstanding for each Team. The Union will have the right to inspect the allocations, for confirmation purposes and on a confidential basis.

**Section 10.21 Use/Distribution of Allocation Amount:** The League shall maintain discretion as to the use of allocation amounts. MLS shall maintain a policy that allows allocations to be split; allocations may thereby be split in accordance with the Competition Guidelines; and Teams shall be allowed to spread the allocation portion applied to a Player across the Term of the Player’s SPA(s) consistent with the Competition Guidelines on allocation use.

Teams may use allocations to buy down the Salary Budget Number of a Designated Player, consistent with the Competition Guidelines on allocation buy-downs, as amended from time-to-time.

**Section 10.22 Annual Contract Buyout:** Team shall be allowed one (1) buyout of a Player contract during the Off-Season or Pre-Season, and such Player’s Salary Budget Charge shall be eliminated. With regard to the annual buyout or any other buyout, MLS must provide the Union with forty-eight (48) hours’ notice prior to entering into any buy-out with a Player in which he gives up any guaranteed money.



## ARTICLE 11

### TRAVEL AND GAME TICKETS

**Section 11.1 Mode of Transportation:** Team travel greater than two hundred and fifty (250) miles shall be by air on regular commercial carriers, when reasonably practical. The determination of whether a trip exceeds 250 miles shall be measured by the distance between airports of the two cities. When traveling by air on commercial flights, Teams shall use reasonable efforts to fly without connecting flights, and shall make reasonable efforts to ensure that all Player seats on such flights are aisle or window seats. Airline mileage points/awards shall be available to Players for their travel on commercial airlines. There shall be no obligation by MLS and/or a Team to provide chartered air transportation. MLS shall continue its policy of allowing Teams to provide chartered air transportation for four legs of flights per year, and nothing in the CBA shall prohibit MLS, in its sole and absolute discretion, from providing additional chartered air flights. To facilitate international travel including between the United States and Canada, MLS and/or its Teams shall pay for Global Entry and Nexus travel privileges, and their Canadian equivalent if any, for Players.

**Section 11.2 Hotel Accommodations:** On domestic overnight travel for participation in Regular Season and Post-Season games, Players shall be lodged in one of the hotels listed on Exhibit 4 , with no more than two (2) Players per standard hotel room. This provision shall not apply to domestic travel at other times or to international travel, in connection with which Players may be lodged in other than standard hotels (e.g., apartments), and there shall be no more than two (2) Players per bedroom. However, the Team and/or MLS, as applicable, will make good-faith efforts to secure accommodations of comparable quality to hotels used during the Regular Season. Hotel points/awards, where permissible, shall be available to Players in connection with their travel provided that MLS shall have no responsibility to determine the manner in which such hotel points/awards are split between Players sharing rooms.

If the cost of any of the approved hotels increases by 7.5% or more from one year to the next (e.g., if 2016 cost is over 7.5% more than 2015 cost), MLS may remove such hotel from the approved list. In such event, MLS may propose (if necessary) a substitute hotel, and the Union will not unreasonably withhold its consent to the addition of such substitute hotel.

**Section 11.3 Game Tickets:** Players shall have the right to request, and to receive on a complimentary basis, (i) four (4) tickets to home games (whether in the Team's home stadium or at another stadium in their metropolitan area); (ii) two (2) tickets to away and neutral-site games; (iii) four (4) tickets to the MLS All-Star Game if they are participating in that game, or a game played in connection with the MLS All-Star Game; and (iv) four (4) tickets to MLS Cup if they are participating in that game or a game played in connection with MLS Cup, in each case to the extent that there are tickets available at the time the request is made.

(i) Players who do not request tickets will not receive tickets, will have no right to receive tickets, and under no circumstances will be taxed on the value of tickets that they had a right to request but did not request or receive.

(ii) MLS and its Teams agree that they shall endeavor to provide Players requesting tickets with tickets in a manner such that Players are not taxed for those tickets. MLS and its Teams,

however, will to the extent required by law, as determined in MLS's sole discretion, withhold taxes from Players' wages for complimentary tickets received.

(iii) MLS and the Union agree that they shall enter into a side letter that explains more fully the process for Players to request and receive complimentary tickets and the parties agree that, in the event that the tax code in the United States, Canada, or any state or province therein is changed in a manner that affects the taxation of complimentary tickets, the parties shall re-open the Agreement for the sole purpose of negotiating a system for providing complimentary tickets to Players on a tax-free basis to the greatest extent allowable by law, as determined in MLS's sole discretion.

(iv) Six (6) tickets shall be made available to authorized Union representatives for purchase for each Regular Season game, Post-Season game, MLS All-Star Game or exhibition game. MLS and/or the Team shall make reasonable efforts to provide the tickets in the lower level or mezzanine section(s) of the stadium. The Union shall also have the right to a private luxury box at the MLS All-Star Game and MLS Cup for purchase at a most-favored nation price. Most favored nation price excludes complimentary boxes provided to MLS or SUM and applies to comparable boxes only. The Union's right to purchase such a box is subject to availability and MLS's right to withhold boxes for use for reasonable business needs.

## ARTICLE 12

### DRUG TESTING

**Section 12.1 Prohibitions and Procedures:** Players are subject to the MLS Player Substance Abuse and Behavioral Health Program and Policy (“SABH”) set forth as Exhibit 5 to this CBA. Players shall execute any necessary authorizations for consent to testing and to release and use of information pursuant to the SABH.

**Section 12.2 Modifications to Policy:** After consultation with the Union, MLS may add substances to the list of those prohibited by the SABH so long as such substances have been adopted by the United States Anti-Doping Agency or FIFA. MLS may impose any testing procedure that is approved by the director of the Laboratoire de controle du dopage (IRNS-Institut Armand-Frappier) in Montreal, Quebec and the SABH Program Professionals. Except as otherwise set forth in this Section 12.2, Players shall receive notice of any addition to the list of prohibited substances prior to the date on which such addition becomes effective. After receiving such notice, Players may not be disciplined for testing positive for the added substance(s) for (i) the recognized period for such substances to become undetectable after use; or (ii) if there is no reasonable medical certainty concerning such period, three (3) months. No notice will be required to add an illegal substance as a prohibited substance under the SABH, provided that Players may not be disciplined for testing positive for such added illegal substances from the date such substance becomes illegal until (i) the end of the recognized period for such substance to become undetectable after use; or (ii) if there is no reasonable medical certainty concerning such period, three (3) months.

**Section 12.3 Privacy:** Privacy of results of drug or alcohol tests conducted pursuant to the SABH shall be preserved as described in the SABH. In addition to the confidentiality provisions contained therein, MLS will limit disclosure within the League office of confidential information concerning a Player’s test results or other SABH-related information to the greatest practicable extent. MLS will notify the Player’s Team of such confidential information only when reasonably necessary.

## ARTICLE 13

### VACATION AND OTHER TIME OFF

**Section 13.1 Vacation:** The Player shall be entitled to six (6) weeks' vacation each year, to be taken only during the Off-Season at such times as may be approved by MLS. Of this six-week period, each Player shall have five (5) consecutive weeks of vacation, but neither days devoted to national team duty nor days devoted to international competitions for MLS (which shall include the fourteen-day training period prior to such competition for all purposes under this Section 13.1) shall be deemed a break in the Player's vacation. Days devoted to national team duty shall be considered part of a Player's vacation time. Days devoted to international competitions for MLS, however, shall not count as vacation time in calculating the six-week entitlement. Players on the same Team are not required to be granted the same consecutive five weeks of vacation, provided, however, that the Teams and/or MLS, as appropriate, shall make good-faith efforts to accommodate Players' vacation-time requests.

**Section 13.2 Time Off:** Teams shall make reasonable efforts to provide Players with at least one (1) day off per week and may not go fourteen (14) consecutive days without providing at least one (1) day off. Teams must provide at least ten (10) days off every ten (10) weeks. National team duty shall be considered time off for the purposes of this provision. Travel days will not be considered a day off. Days off granted to a Player's Team while such Player is on vacation shall be considered a day off for such Player.

## ARTICLE 14

### ENTRY DRAFT, EXPANSION DRAFT AND ACADEMY PLAYER INFORMATION

**Section 14.1 Entry Draft Rounds:** There shall be no more than four (4) rounds of the entry draft inclusive of any supplemental draft. Other provisions of the draft are as provided in the Competition Guidelines.

(i) Players Not Offered a Contract. A drafted player shall be invited to participate in all of the Pre-Season training by the Team that drafted him in the year he was drafted. Provided such player has been training with the Team for five (5) weeks and further provided he has not previously been placed on waivers, if he is not offered a contract by the drafting Team, on the day after the drafting Team's first Regular Season game, on such date and upon the Player's request, he will be placed on waivers and made available to all Teams. If claimed off waivers, he must be offered a contract at no less than the Senior Minimum Salary (or Reserve Minimum Salary if applicable). If not claimed or not placed on waivers, the player remains on the drafting Team's college protected list (i.e., drafting Team has a right of first refusal) until the second December 31<sup>st</sup> immediately following the waiver draft.

(ii) Players Offered a Contract. If a drafted player is offered a contract, but declines to sign, he has college-protected status (drafting Team retains his MLS rights) until the second December 31<sup>st</sup> immediately following the waiver draft.

**Section 14.2 Expansion Draft:** MLS will consult with the Union as to procedures in the event an expansion draft becomes necessary, but MLS reserves the right to conduct such an expansion draft(s) in its sole and absolute discretion.

**Section 14.3 Academy Player Information:** MLS will provide all Academy players annually with a fact/information sheet detailing the then-current Home Grown Player rules. The fact/information sheet shall include contact information for the Union.

## ARTICLE 15

### LOANS AND TRANSFERS

**Section 15.1** Unless otherwise agreed to in an SPA addendum, a Player may be required, without his consent, to relocate to any Team in the League as directed by MLS. With regard specifically to trades made during the League Season, such trades may only occur during the FIFA transfer windows for the U.S.

Any traded or reassigned Player shall receive a three thousand dollar (\$3,000) stipend payable within thirty (30) days of the trade or reassignment unless the Player is traded or reassigned again before he relocates to the home market of the Team to which he has been traded or reassigned.

A Player who is assigned to another Team must report to that Team within twenty-four (24) hours. Within two (2) weeks after reporting to his new Team, the Player will be allowed three (3) consecutive days off to organize his affairs. Permission to a Player to take one or more of these three days prior to reporting to his new Team shall not be unreasonably withheld.

**Section 15.2** MLS shall have the right during the Term of a Player's SPA to loan the Player's services or to transfer, assign and/or sell the rights to the Player's services to any professional soccer team or league outside of MLS provided that the Player consents to any such loan, transfer, assignment or sale.

Notwithstanding the above, a Player twenty four (24) years old or younger may consent to a future loan to a Team's USL Affiliate through a rider to his SPA, which must be separately signed. MLS and the Union will agree on a rider to the SPA for these purposes. The Union will not advise or influence any Player to not sign the rider.

While on loan to a USL Affiliate, the Player remains on his current SPA at his current salary level and will continue to be covered by MLS's workers' compensation, health insurance, life insurance, and retirement plan including receiving the employer contribution contained in Section 10.8. In the event such a loan requires the Player to move to a new city, the Player will be reimbursed for all reasonable and necessary relocation expenses associated with the move at the beginning of each loan, as well as reimbursement for relocation expenses for when the Player is recalled by his MLS Team. If a first time professional player elects to receive the cash stipend set forth in Section 10.11 and if such Player is loaned to a USL Affiliate prior to the Roster Compliance Date during the Player's first professional season, the Player will not also be reimbursed for relocation expenses at the beginning of the loan, provided further that such Player: (1) was provided notice in writing that he should not relocate to the Team's metropolitan area until on or after the Roster Compliance Date, and (2) he was provided with housing expenses from the commencement of his SPA to the date of the loan to the USL Affiliate prior to the Roster Compliance Date. Each Team shall notify the Players as soon as it reasonably expects that the Player will be loaned to its USL Affiliate. In addition, a loaned Player is not responsible for paying for housing in both the MLS and USL market. Teams may opt to house Players in furnished apartments in lieu of housing expenses consistent with the League salary budget rules. In all other respects, Players will be subject to USL rules and regulations.

A Player on loan to a USL Affiliate for the entire USL season shall not accrue an MLS Service Year unless he either:

- (i) plays in a Regular Season or Post-Season game during the League Year in which he is loaned; or
- (ii) is included on the 18 man game day roster of his Team during the period that runs from the date of the first USL regular season game through the final league season game (including playoffs) of the USL team to which he is loaned.

**Section 15.3** Except as otherwise provided in this CBA or otherwise agreed at any time in writing between the Player and MLS, the Player shall be entitled to receive from MLS (promptly upon receipt by MLS of such consideration) ten percent (10%) of any consideration received by MLS for any loan or transfer of the Player's services to a team or league outside of MLS. This Section shall not apply to a loan to a USL Affiliate if the loan fee is used solely as a mechanism to cover the player's salary.

**Section 15.4** MLS and the Player agree that any loan, transfer, assignment or sale of MLS's rights to the Player's services, whether prior to or after the termination of the Player's SPA, shall only be made in accordance with all applicable rules and regulations of FIFA and any relevant governing body provided such rules and regulations do not conflict with any provisions or remedies set forth in this CBA or New York state or federal law; provided further, however, that upon the termination of a Player's SPA, such Player shall be free to sign a contract with any professional soccer team or league outside of MLS without MLS or any Team requiring the team signing the Player to pay training compensation, a transfer fee, or any compensation, penalty, restriction, or equalization obligation of any kind to MLS or to any Team.

**Section 15.5** Unless otherwise prohibited by any other provision of this CBA, MLS shall be permitted to act in accordance with all provisions of the Regulations for the Status and Transfer of Players ("Regulations") adopted by FIFA on March 22, 2014, effective August 1, 2014, as those Regulations may be amended or interpreted by FIFA from time to time.

**Section 15.6 Intra-League Loans:** When a Player is loaned within MLS, he shall be entitled to the same relocation expenses as a traded Player, and in addition shall not responsible for paying for housing in both the MLS markets. Teams may opt to house such Players in furnished apartments in lieu of housing expenses consistent with the League salary budget rules.

## **ARTICLE 16**

### **PARTICIPATION IN HAZARDOUS**

#### **ACTIVITIES AND OTHER SPORTS PROHIBITED**

The Player and MLS acknowledge and agree that the Player's participation in other sports or activities may impair or destroy his ability and skill as a soccer player. Accordingly, the Player agrees that he will not engage in sports or activities which constitute a substantial danger to his health or safety (including, but not limited to, American or Canadian football, boxing or wrestling, motorcycling, moped-riding, auto racing, sky-diving, in-line skating, down-hill snow skiing, mountain biking, bicycle racing, mountain/rock climbing and rappelling, spelunking and hang-gliding); and that, except with the prior written consent of, or at the direction of, the Team or MLS, he will not (except for casual family activities) engage in any game or exhibition of basketball, football, baseball, softball, tennis, volleyball, hockey, lacrosse, beach soccer or other athletic sport, under penalty of such fine and/or suspension as may be imposed by the Team or MLS. Failure by MLS or the Team to object to a Player's participation in other athletic sports will not constitute implied consent to future participation in such activities. Nothing contained herein shall be intended to require the Player to obtain the written consent of the Team or MLS in order to enable the Player to participate, as an amateur, in the sport of golf, swimming or hiking (not including ice climbing or other hiking requiring crampons or other special equipment).



## ARTICLE 17

### LEAGUE SCHEDULE AND OTHER GAME SCHEDULES

**Section 17.1 Duration of League Season:** Subject to Article 13 requirements and limitations set forth in this Article 17, there is no limitation on the length of the League Season.

**Section 17.2 Post-Season and Pre-Season Training:**

(a) End of Regular Season/Post-Season – November 30. Subject to Section 17.3, a Player may be required to train between such Player's Team's final Regular Season or Post-Season game and November 30 if:

- i. Player's Team has a Compulsory Tournament or Non-Compulsory Tournament or gated exhibition game, in which case the Player may be required to report to training no earlier than five (5) days prior to the date of such game; or
- ii. The Team conducts such training in accordance with the best practices recommended by the Off-Season Training Committee pursuant to Section 24.3; or
- iii. No best practices are in place and the Player's contract has been extended through the following season.

(b) Pre-Season Training Camp Start Date. After the later of (i) November 30 and (ii) the date a Team is eliminated from the Post-Season, no Team may have its Players report to the Team more than six (6) weeks prior to the date of the first game of the Regular Season (the "Pre-Season Training Camp Start Date") except as set forth in Section 17.2(c).

(c) Exceptions to Pre-Season Training Camp Start Date: The following exceptions are subject to Article 13 and Section 17.4 (No Soccer Activity):

- i. Compulsory Tournament Exception: For a Compulsory Tournament, official sanctioned FIFA tournament (e.g., Copa Libertadores) or one (1) additional League-run tournament, Players may be required to report to training no earlier than twenty-one (21) days prior to the start of such matches; or
- ii. Non-Compulsory Tournament/Exhibition Games: Teams may play exhibition games between November 30 and the Pre-Season Training Camp Start Date provided that (i) the schedule is set and given to the Players no later than five (5) days following the Team's last game or last day of training, whichever is later, (ii) payments for the game(s) are made in accordance with the bonus structure set forth in Section 10.5, and (iii) round-trip transportation is provided between the Player's Off-Season home and reporting location at MLS/Team's expense. If these requirements are met and the Team schedules an exhibition game during

this time period, Players may be required to report to training no earlier than five (5) days prior to the start of such matches.

The parties' intent in permitting such matches and training is to enable MLS to engage in meaningful competition and not to evade the requirement that Pre-Season training camp begin no more than six (6) weeks prior to the first Regular Season game. MLS shall not abuse this provision, and this stated intent, in scheduling matches and related training during the Off-Season.

(d) **Off-Season Conditioning.** Teams may require Off-Season conditioning and remote reporting of such conditioning.

### **Section 17.3 Thanksgiving Break:**

(a) Players Participating in Post-Season. Players required to play in a Post-Season game over Thanksgiving weekend will be entitled to receive days off during the two week break in the Post-Season (currently between Conference Semi-Final Leg 2 and Conference Final Leg 1) as follows as determined in the Team's discretion:

- (i) Option 1: three consecutive days off; or
- (ii) Option 2: weekend off (from noon on Friday through Sunday – Teams may train up until noon on Friday) plus an additional day off.

(b) Players Not Participating in Post-Season. Players who are required to train after their final MLS game will receive three (3) consecutive days off including Thanksgiving Day as determined by the Team in its discretion.

**Section 17.4 No Soccer Activity:** Teams will not engage in any soccer-related activity for a minimum of four (4) consecutive weeks each year, from approximately December 16 to January 13. On or before January 15 of each year, MLS shall notify the Union of the exact weeks for which this provision shall apply for the upcoming year. Notwithstanding the above, in the event that the League determines in its reasonable discretion that an exhibition game cannot be scheduled at another time, then MLS may, after consultation with the Union, schedule such games prior to December 23 or after January 6 provided that Player vacation requirements and the other provisions of this Article (other than the January 15<sup>th</sup> notice requirement set forth in this Section 17.4) are otherwise satisfied. In each Team's discretion, the requirements of this Section 17.4 may be inclusive of the vacation requirements set forth in Article 13 (i.e., each Team may use these 4 weeks of no soccer activity to satisfy part of the six (6) total weeks or five (5) consecutive weeks of required vacation).

**Section 17.5 Number of Games:** From the beginning of the Regular Season through December 23, each Team may not play more than:

- (i) Greater of (a) thirty six (36) Regular Season games or (b) up to the number of games required for each Team to play every other Team twice per season; provided that, the schedule footprint and available dates allow the reasonable accommodation of such

games. MLS acknowledges that once the League expands to twenty-two (22) Teams, the current footprint would require MLS to make a reasonable accommodation in order to achieve a balanced (home and home) schedule;

- (ii) Six (6) Post-Season games including MLS Cup; provided that MLS has the discretion to divide Regular Season and Post-Season games in its discretion within the set overall number of Regular Season games and Post-Season games;
- (iii) Five (5) exhibition games/Non-Compulsory Tournament games;
- (iv) All FIFA/CONCACAF/US Soccer/CSA/Compulsory Tournaments as well as any qualifying tournaments or play-in games (e.g., Copa Libertadores, U.S. Open Cup, Canadian Championship, CCL);
- (v) One (1) additional League-run tournament; and
- (vi) Newly-created US-Mexico Champions Cup (MLS will consult with the Union on the timing and other Player-related issues for such match).

MLS will not schedule Players for four (4) games in any seven (7) day period unless such schedule is reasonably unavoidable.

No Team may play a game within thirty-six (36) hours after the end of a prior game unless such schedule is reasonably unavoidable, in which case no Player shall play in both such games.

For avoidance of doubt, national team duty (including the senior and youth national teams or Olympic teams of any nation) shall not count toward the limitation but may be otherwise subject to the limitations set forth in Section 8.3.

There is no limitation on the number of games played between the Pre-Season Training Camp Start Date and the start of the Regular Season.

**Section 17.6 Post-Season Format:** The League shall consult with the Union prior to changing the Post-Season format.

**Section 17.7 MLS Discretion:** The Union acknowledges that, except as provided in this Article 17, MLS has the right, in its sole discretion, to schedule games in the Pre-Season and League Season, and to schedule Players' participation in games, whether international or domestic.

## ARTICLE 18

### STANDARD PLAYER AGREEMENT

#### **Section 18.1 Form of Agreement:**

(i) All Players will execute a Standard Player Agreement (in the form attached as Exhibit 1). No agreement concerning a Player's terms and conditions of employment shall be valid unless: it is between a Player and MLS and is signed by each party, and it is contained in one of the above-referenced forms, including any Schedule thereto.

(ii) MLS shall provide copies of all such agreements and related documents, including marketing agreements, termination letters, buy-out agreements, transfer/loan agreements that are relevant for Salary Budget or allocation purposes, and check-off authorizations, to the Union within five (5) business days of their execution. If the document does not require the signature of the Player, such as a termination letter, MLS shall provide the same to the Union within five (5) days of receipt or delivery of the same by MLS or the applicable team. If the documents are not each signed by the Player at the same time, MLS shall provide the Union with the documents as they are signed. For example, if a Player signs and delivers the Schedule to his Standard Player Agreement to his Team and/or MLS on January 1, and then delivers the Standard Player Agreement to his Team and/or MLS on January 10, MLS shall provide the Union with the Schedule within five (5) business days of January 1, and the Standard Player Agreement within five (5) business days of January 10. If at the time any of the documents referred to herein are delivered to the Union, such document(s) have not been signed by MLS, then MLS shall provide the Union with fully executed copies of the applicable documents within five (5) business days of their execution by MLS. MLS shall provide the documents in the manner set forth in this Paragraph to the Union via weekly emails on Monday and Friday of each week to e-mail address(es) designated by the Union.

(iii) MLS will provide notice on each Player's Schedule in French, Italian, Portuguese and Spanish that, upon request, the SPA is available in French, Italian, Portuguese and Spanish. Upon request of a native French, Italian, Portuguese or Spanish speaking Player, MLS will provide such SPA translation to such Player. MLS will maintain translations on file. In all cases of translation, the English language version of the contract shall control.

**Section 18.2 Status of Prior and New SPAs:** All SPAs and/or other agreements that were entered into by MLS and any Player prior to the effective date of this CBA shall remain in full force and effect for their stated terms and any option years, except that those SPAs shall be deemed amended in such manner to require the parties to comply with all terms of this CBA, including the terms of the SPA annexed hereto as Exhibit 1. All SPAs entered into after the effective date of this Agreement shall be subject to the terms of this Agreement, including the revised form SPA annexed hereto.

#### **Section 18.3 Player-Agents and Agent Certification:**

(i) A Player, if he so desires, may designate an agent to conduct on his behalf, or to assist him in, the negotiation of an individual salary and/or additional benefits, provided that, if the

Union develops and implements an agent certification program, the agent has been certified to MLS and its Teams as authorized to act as a player agent for such purposes. In the case of Players negotiating to join MLS from another league, or Players transferring out of MLS, a Player may designate an agent not certified by the Union.

(ii) If the Union develops and implements an agent certification program, the Union shall provide MLS with a comprehensive list of the certified player agent(s) whom each Player has designated to act on his behalf for the purposes set forth in this Section 18.3.

(iii) If, pursuant to Section 18.3(ii), the Union has notified MLS that a Player has designated a specified certified player agent or agents to act on his behalf for the purposes described in this Section, MLS may not negotiate or attempt to negotiate an individual salary and/or additional benefits to be included in an SPA for such Player with any player agent(s) other than such designated player agent(s).

(iv) The Union's agent-certification program shall include a procedure for MLS to file complaints with the Union regarding the conduct of certified player agents and for such complaints to be investigated and a response given to MLS.

(v) No consultant retained by MLS shall be paid by, or shall solicit a commission from, a Player.

**Section 18.4 Default:** The Player may terminate his SPA upon ten (10) business days' written notice to MLS and the Union, if (i) MLS defaults in its obligation to pay the salary set forth in Paragraph 1 of the SPA or fails to perform any other material obligation agreed to be performed by MLS under the SPA and (ii) MLS fails to remedy such default within ten (10) business days, or to give notice of intent to arbitrate within seven (7) business days, of the Player giving notice of such default in writing to MLS and to the Union. The Player agrees that he shall have no right to terminate his SPA prior to the conclusion of its term (including any option periods) other than as expressly set forth in this CBA or by mutual written agreement with MLS. In the event MLS disputes an assertion by the Player that it is in default of its obligations set forth in Paragraph 1 of the SPA or that it has otherwise failed to perform any other material obligation under the SPA, and it is subsequently determined pursuant to the Grievance procedures set forth in Article 21 of this CBA that a default has occurred, MLS shall have ten (10) business days from the date of such finding to remedy such default. During the pendency of any Grievance procedure concerning the existence of a default, the Player's SPA shall remain in effect.

**Section 18.5 Validity of SPA:** No compensation of any kind shall be owed to any Player (whether under a Guaranteed or other type of contract) with respect to the period of any strike or lockout, but a strike or lockout will not void or otherwise affect the validity or enforceability of an SPA after the conclusion of a work stoppage. During a work stoppage, a Player may obtain employment as a professional soccer player outside MLS, but any contract with such other club employing the Player during an MLS work stoppage must provide that the Player shall return to MLS after the conclusion of the work stoppage if his SPA's term has not expired. MLS shall have no remedy against the Union for a Player's breach of this provision.

## **Section 18.6 Guaranteed Contracts:**

a. Limitations on Termination of Guaranteed Contract: Where the Player Category is Guaranteed, an SPA shall not be terminated by MLS by virtue solely of the quality of the Player's on-field performance or the fact that the Player may have sustained an injury (including one leading to death or disability) during the performance of his duties as an MLS Player as well as National Team duty, although it may be terminated pursuant to the other provisions of this CBA relating to termination of an SPA.

b. Automatic Guarantee: Contracts will be Guaranteed for all Players who are at least twenty four (24) years of age and have completed at least one (1) MLS Guaranteed Service Year. For purposes of determining if a Player's Category is Guaranteed, the Player must turn twenty four (24) years old prior to or during the calendar year. For example, if a Player turns twenty four (24) during 2016, is under contract for the entire 2015 League Season and on an MLS roster following the 2016 Roster Compliance Date, the Player's contract will be Guaranteed.

## **Section 18.7 Semi-Guaranteed Contracts:**

(i) Without limitation to the other provisions of this CBA regarding termination of an SPA, and subject to the limitations regarding the termination of injured Players' SPAs, where the Player's Category is Semi-Guaranteed, MLS may terminate an SPA between January 1 and the Contract Guarantee Date of any given year, without further obligation on either party if the Player fails, in the sole and absolute discretion of MLS, to exhibit sufficient skill or competitive ability to qualify for or continue as a member of the Team's active roster. In making this determination, MLS may, but shall not be required to, consider, among other factors, the Player's compensation as compared to other Players or players whom MLS wishes to sign and any applicable roster and/or budget guidelines of MLS and the Team.

(ii) Subject to the other provisions of this CBA regarding the termination of injured Players' SPAs, if MLS has not terminated an SPA pursuant to subsection (i), above, prior to the Contract Guarantee Date of any given year, it may not so terminate such SPA until the immediately following December 31.

**Section 18.8 Minimum Length of SPA/Short Term SPA:** Subject to Section 18.7, if applicable, a Player's SPA will expire no sooner than December 31 of the year in which it is signed except for:

(i) Players on loan from clubs/leagues outside of the U.S. and Canada, provided that the Expiration Date coincides with the expiration of the loan;

(ii) Players entering MLS from a league outside of the U.S. and Canada;

(iii) For Players (a) playing on a USL Affiliate; and (b) loaned to the MLS affiliated Team, such SPA may expire earlier than December 31 of the year the SPA is signed provided such player (1) is twenty five (25) years of age or younger and (2) is signed for no more than four (4), four (4) day contracts, during which total time (i.e., a maximum of sixteen (16) days), the Player may be included on the 18-man game day roster for no more than four (4), and play in no more than two (2) League Season games, and provided further that during such time, the Player may play in

any U.S. Open Cup games, exhibition games and CONCACAF Champions League games (each, a “Short Term SPA”). If a Player signatory to a Short Term SPA plays in a League Season game, he shall earn an MLS Service Year only for the purpose of determining if the Player meets the requirements for Free Agency or the Re-Entry Draft, but otherwise, no MLS Service Year shall accrue to such Player for time during which he is signatory to a Short Term SPA.

Players under such Short Term SPAs shall not be entitled to or subject to the following: benefits specified in Sections 10.8 (Retirement Plan), 10.11 (Relocation Expenses) with the exception of the housing and per diem benefits set forth in that Section, and 10.15 (Direct Deposit); vacation and time-off benefits specified in Article 13, provided however, that if his Team is given a day off, the Player signed to a Short Term SPA shall also receive that day off; termination pay set forth in Section 18.11; and insurance coverages set forth in Article 22, except for workers’ compensation insurance benefits set forth in Section 22.5.

Players signed to Short Term SPAs will be paid an additional \$250 for each game the Player is on the eighteen (18) man game day roster, \$500 for each game the Player plays and \$750 for each game the Player starts. Such payments are not cumulative (e.g., a Short Term SPA Player that starts a game will be paid \$750).

**Section 18.9 Effect of Termination of SPA:** Except as otherwise set forth herein, upon termination of an SPA by either the Player or MLS, all obligations of MLS to the Player, including without limitation any obligation to pay any amounts to the Player shall cease on the effective date of termination, except that MLS and the Player shall remain responsible for all and any obligations incurred prior to the date of termination. Upon such termination, and except as otherwise provided in this CBA, MLS shall comply with FIFA regulations regarding the player’s international registration and playing rights.

**Section 18.10 Terminations Resulting from Contraction:** In the event that MLS reduces the number of Teams in the League, Players with Semi-Guaranteed Contracts on the Team contracted may have their SPAs terminated. After the Players on the contracting Team are dispersed to other Teams in the League, Players on such other Teams may have their contracts terminated in a manner consistent with their SPAs and the CBA.

**Section 18.11 Termination Pay:** A Player with a Semi-Guaranteed SPA who is terminated prior to the Contract Guarantee Date shall be paid termination pay of six (6) weeks of his base salary.

**Section 18.12 Annual Base Salary Increase:** Each SPA covering more than one (1) League Season (including years in which MLS has an option to extend the SPA), and which provides the Player with a Base Salary of \$150,000 or less, shall provide for annual increases in base salary of not less than five percent (5%) per annum, unless a portion of his contract includes a sixteen (16) month\_or greater initial guaranteed term, in which case the initial term need not contain a 5% annual raise.

**Section 18.13 Options:**

(a) For all SPAs entered into after the Execution Date, MLS may not include more than three (3) unilateral options in any Player’s SPA, and such options, in the aggregate, may extend the SPA for no more than three (3) years. For Players who are at least twenty-four (24) years of age

and have at least two (2) MLS Service Years, MLS may not include more than two (2) unilateral options in any Player's SPA, and such options, in the aggregate, may extend the SPA for no more than two (2) years. For purposes of determining the option limitation, the Player must turn twenty four (24) prior to or during the calendar year in which the SPA is executed. For example, if a Player turns twenty four (24) during 2016, and earned MLS Service Years in the 2014 and 2015 League Seasons, the option limitation would apply to any SPA signed the first year of which is the 2016 or later League Season.

For Players who are at least twenty-eight (28) years of age and have at least eight (8) MLS Service Years, in addition to the limitation above, MLS may only include the number of options comparable to the number of Guaranteed years provided to the Player (e.g., a Player receives a two (2) year Guaranteed contract, then League may include two (2) options, each of one (1) year in duration (2+1+1)). Such parameter shall not apply to Players who sign through Free Agency.

In addition, for those Players whose base salary is less than \$150,000, each unilateral option will be set at not less than a 10% increase in base salary, provided that the Player plays in at least 66% of the games (twenty (20) games in thirty (30) game season) during the previous League Season.

For those Players whose base salary is less than \$150,000, each unilateral option will be set at not less than a 12.5% increase in base salary, provided that the Player plays in at least 75% of the games (twenty three (23) games in a thirty (30) game season) during the previous League Season.

(b) MLS will create an acknowledgment form to be signed by the Player that states that the Player acknowledges the existence of the specific number of unilateral options in the Player's contract. Further, upon request, MLS will translate the option language in a Player's contract into the native language of such Player.

(c) In all cases of translation, the English language version of the contract shall control.

**Section 18.14 Option Exercise Date:** Each Player's option exercise date shall be no later than the later of (i) December 1<sup>st</sup> and (ii) the day after the Player's Team is eliminated from the playoffs or wins MLS Cup or plays US-Mexico Champions Cup (if applicable), but in no event later than December 16. If the Option Exercise Date is later than December 1<sup>st</sup> and the Player's option is not exercised, then the League shall continue to pay the Player and provide health insurance through the date that is thirty-seven (37) days after the Option Exercise Date (e.g., if Option Exercise Date is December 8, 2015, the Player with the non-exercised option will be paid and health insurance will be extended through January 14, 2016).

**Section 18.15 Player Registration:** Players' registration procedures shall be in accordance with the policies and guidelines of the USSF or, if applicable, the CSA.



## ARTICLE 19

### ROSTERS

**Section 19.1 Roster Size:** Team rosters shall consist of the following:

(a) Senior Roster: Each Team shall have an eighteen (18) to twenty (20) man senior roster (the “Senior Roster”). Players on the Senior Roster must be paid a base salary equal to or greater than the Senior Minimum Salary set forth in Section 10.1. For purposes of the Team Salary Budget, if a Team does not fill a minimum of eighteen (18) slots, the League will impute a Senior Minimum Salary for the unfilled slots up to eighteen (18). For clarity, a Team may have 17 Players on the Senior Roster, but for purposes of the Team Salary Budget, the League will impute an 18<sup>th</sup> player at the Senior Minimum Salary;

(b) Reserve Roster: Each Team shall have a Reserve Roster of up to eight (8) additional Players. There is no requirement that all slots are filled. The Reserve Roster slots will not count against the Team Salary Budget. Reserve Roster slots shall include ungraduated Generation adidas Players.

- Roster slots 21-24: Up to four (4) Players will be paid a base salary which is at least the Senior Minimum Salary; and
- Roster slots 25-28: Up to four (4) Players will be paid a base salary which is at least the Reserve Minimum Salary, provided the other rules regarding Reserve Minimum Salary Players set forth in Section 10.2 are met.

(c) Roster slots above 28 may be added at the discretion of the League and Players occupying such slots shall earn a base salary no less than the Reserve Minimum Salary, provided the other rules regarding Reserve Minimum Salary Players set forth in Section 10.2 are met. Such roster slots shall not count against a Team’s Salary Budget.

**Section 19.2 Roster Compliance Date:** The Roster Compliance Date will not be before the earlier of (i) March 1 and (ii) two weeks following the start of Pre-Season. The Roster Compliance Date only applies to the Regular Season.

**Section 19.3 Roster Freeze Date:** The Roster Freeze Date will be no later than the later of (i) September 15 and (ii) four weeks prior to the start of the Post-Season. The Roster Freeze Date only applies to the Regular Season and Post-Season.

## ARTICLE 20

### DISCIPLINE; RULES AND REGULATIONS

#### Section 20.1 Discipline for Just Cause:

(i) Team Discipline: A Team may impose discipline, for just cause, in accordance with the schedule below or in accordance with the agreed Team rules. Team discipline shall be subject to the grievance-arbitration provisions of Article 21, herein. The Union will be provided with prompt notice of any Team discipline.

##### (a) Tardiness

Players will receive a warning for their first incident involving tardiness to a scheduled practice, medical appointment, appearance, Team meeting, or other Team function.

- The maximum fine for tardiness for Players earning up to \$400,000 in base salary for a second offense shall be \$300.
- The maximum fine for tardiness for Players earning from \$400,000.01 to \$750,000 in base salary for a second offense shall be \$500.
- The maximum fine for tardiness for Players earning more than \$750,000 in base salary for a second offense shall be \$750.
- Players may be disciplined for each recurring incident thereafter. Additional infractions will be evaluated on an incident by incident basis and subject to increased fines up to and including suspension without pay and/or termination.

The above will not apply to tardiness for a match which will be subject to the other provisions of this section, the CBA and the SPA.

##### (b) Failure to Appear

Players will be fined for the first instance in which they fail to appear to a scheduled practice, medical appointment, appearance, Team meeting, or other Team function.

- The maximum fine for failure to appear for Players earning up to \$400,000 in base salary for a first offense shall be \$500.
- The maximum fine for failure to appear for Players earning from \$400,000.01 to \$750,000 in base salary for a first offense shall be \$750.
- The maximum fine for failure to appear for Players earning more than \$750,000 in base salary for a first offense shall be \$1,000.

- Players may be disciplined for each recurring incident thereafter. Additional infractions will be evaluated on an incident by incident basis and subject to increased fines up to and including suspension without pay and/or termination.

The above will not apply for failure to appear for a match which will be subject to the other provisions in this section, the CBA and the SPA.

(c) Team Rules and Fines

Players and Teams may create a Team rules schedule that addresses other local issues (e.g., dress code, cell phone usage at meetings).

- The Team rules are subject to the other provisions of the CBA and SPA related to player obligations and discipline.
- The final adoption of the rules is subject to approval by the Commissioner at his discretion.
- Penalties for first and second offenses of tardiness and failure to appear in Team rules may not exceed the penalties set forth in Section 20.1(i)(a) and (b).

Notwithstanding the creation of the Team rules including approval by the Commissioner, the League may, in its discretion, impose discipline without regard to the Team rules schedule for any misconduct pursuant to Section 20.1(ii) or 20.2(ii). In such case, Section 20.1(iii) will apply.

(ii) Certain Commissioner Discipline: Commissioner discipline for off-field misconduct that is not determined by the Commissioner (or his designee) to be detrimental to the reputation and public image of MLS, the Team and/or the game of soccer (*i.e.*, within the scope of Section 20.2, below) shall be subject to the “just cause” standard and shall be resolved by the Impartial Arbitrator, as provided in the grievance-arbitration provisions of Article 21, herein.

(iii) Non-Duplicative: While both the Team and the League may have the authority to penalize a Player for misconduct, in the event that both the Team and the League impose discipline for the same conduct, only the League-imposed discipline shall be effective.

**Section 20.2 Discipline for On-Field Conduct and Detrimental Off-Field Conduct**: It is understood and agreed that Player discipline for on-field misconduct or for off-field misconduct detrimental to the reputation and public image of MLS, the Team and/or the game of soccer shall be determined, as more fully described hereafter, by the Commissioner or his designee.

(i) On-Field Misconduct: “On-Field Misconduct” shall include misconduct that occurs in any stadium or playing facility, in and/or around the stadium or playing facility (involving any person(s) or property in or around the stadium or playing facility), including, but not limited to: the playing field, locker rooms, parking lots, spectator stands or other spectator facilities, and other back-of-house and underground areas, including those used by television production and other

media), and which occurs at, during or in connection with any game or tournament in which the Player competes.

Discipline for on-field misconduct will ordinarily be considered and imposed by the MLS Disciplinary Committee, acting as the Commissioner's designee. Such committee shall be composed of five (5) members, all but one of which shall be appointed by the Commissioner, and at least two (2) of the League appointees must be former MLS players. For any changes to the membership of the Disciplinary Committee, MLS will consult with the Union prior to making a new appointment. The other member shall be appointed by the Union and shall be a former MLS player but shall not be an active player nor a Union employee. Discipline for on-field misconduct may include termination of an SPA or a suspension without pay and/or fine, and may be imposed regardless of whether a yellow or red card has been issued. MLS will provide the Union with a copy of reasonable rules of procedure for the Disciplinary Committee. Such rules of procedure are subject to amendment by the League from time to time, in the reasonable exercise of discretion and after notice to and consultation with the Union. MLS will consult with the Union prior to modifying the red card appeal procedure.

Any Commissioner discipline for on-field misconduct under this Section 20.2(i) of a suspension of five (5) or more games or a fine of \$5,000 or more may be appealed to the Impartial Arbitrator under Article 21. The sole issue before the Impartial Arbitrator shall be whether the Commissioner's decision to impose or to confirm the recommendation of the Disciplinary Committee that he impose the discipline at issue was arbitrary and capricious.

(ii) Off-Field Misconduct Detrimental to the Reputation and Public Image of MLS:

- (a) In the event that the Commissioner or his designee determines that alleged off-field conduct is detrimental to the public image and/or reputation of MLS, the Team and/or the game of soccer, the incident and the discipline to be imposed, if any, shall be considered and decided by the Commissioner or his designee (who may terminate an SPA or impose a fine and/or suspension, with or without pay, or other lesser discipline in lieu of termination);
- (b) Without limitation to Section 20.2(ii)(a), above, and other provisions of this CBA regarding termination of an SPA, the Commissioner may terminate an SPA (or impose a fine and/or suspension, with or without pay, or other lesser discipline in lieu of termination) at any time without further obligation on either party to the SPA, upon twenty-four (24) hours' written notice to the Player and the Union, for any of the following reasons:
  - (i) if the Player violates the SABH or is subjected to any penalties for testing positive for a banned substance, for noncompliance, or for refusal to submit to a drug test as required under the SABH;
  - (ii) if the Player bets, or has offered or attempted to bet, money or anything of value on any game participated in by any Team which is a member of MLS, or by any MLS Players, or on games of any

National Team (including, without limitation, participation in any kind of fantasy game);

- (iii) if the Player receives a payment in cash or in kind, from, or enters into any agreement with, the Team Operator or a Related Entity of the Team Operator or a third party acting in association with the Team Operator, that materially contravenes the restrictions on such Player contained in Section 6 of his SPA. Notwithstanding the above, the Commissioner may not terminate the SPA of a Player for a de minimis violation of this subsection (iii), but may impose other discipline, if the Player should not have reasonably expected that the receipt of a payment in cash or in kind would be in violation of League salary budget rules;
- (iv) if the Player is involved in any attempt to fix, throw or improperly affect any MLS or any National Team game;
- (v) if the Player is involved in the giving or offering of any bribe that involves, or gambles on, any MLS game;
- (vi) if the Player has knowledge of, but fails to report to MLS or the Team any attempt by any person to give or receive a bribe that involves, or to fix, throw or improperly affect any MLS game;
- (vii) if the Player engages in a course of deliberate insubordination or a single egregious act of insubordination;
- (viii) if the Player fails to maintain a level of physical and mental condition reasonably appropriate for a professional athlete, or refuses or fails to submit to medical evaluation or to medical treatment recommended in accordance with the procedures set forth in Article 9;
- (ix) if the Player fails, refuses or neglects to render his services under his SPA or this CBA (absent a compelling and demonstrable medical or family emergency or a force majeure condition, e.g., natural disaster, beyond the Player's control) or in any other manner materially breaches his SPA or his obligations under the CBA, and fails to remedy such breach as soon as reasonably possible following MLS's written notice to him of such breach, or has received written notice of breach on three or more occasions for off-field conduct or on-field conduct that resulted in discipline that could be grieved under either Article 21 or 22 of this Agreement, and such discipline was not set aside either by the Impartial Arbitrator, the Grievance Committee, or the Commissioner (or his designee).

(iii) Notice of Type of Discipline: At the time Commissioner discipline is issued, the Commissioner (or his designee) shall specify whether the discipline is for conduct described in Section 20.1, 20.2(i) or 20.2(ii), above. A determination by the Commissioner that a Player's conduct falls within the scope of any one of Sections 20.1(i), 20.2(i) or 20.2(ii) rather than another one of those three provisions shall be appealable to the Impartial Arbitrator. In any such appeal, the sole issue before the Impartial Arbitrator shall be whether the Commissioner's determination as to which of the three cited provisions properly applied was arbitrary and capricious.

(iv) Appeal of Commissioner Discipline: Disputes relating to discipline imposed under Section 20.2(i) or (ii), above, shall be processed exclusively as follows:

- (a) With regard to discipline imposed pursuant to Section 20.2(i), the Commissioner shall appoint a former MLS player that is not on the MLS Disciplinary Committee who will be consulted prior to the final determination of an appeal by the Commissioner or his designee, provided that the appointment shall be made in consultation with Union. The League shall use reasonable efforts to ensure that the consultant is present (including via telephone) for the appeal, but the consultant's presence is not required.
- (b) The Commissioner or his designee will promptly send written notice of his action to the Player and the Union.
- (c) If the discipline imposed under 20.2(i) is equal to or greater than \$750 for a Player earning a base salary of at least the Senior Minimum Salary, or is greater than \$250 for a Player earning a base salary less than the Senior Minimum Salary, or is equal to or greater than a two-game suspension, or if the discipline is imposed under Section 20.2(ii), regardless of severity, then the Union may appeal in writing to the Commissioner within:
  - (i) if the dispute concerns discipline imposed under Section 20.2(i), forty-eight ( 48) hours of receipt of the disciplinary decision; or
  - (ii) if the dispute concerns discipline imposed under Section 20.2(ii), ten (10) days of receipt of the disciplinary decision.
- (d) On receipt of such a notice of appeal, the Commissioner will designate a time and place for a hearing, at which he or his designee will preside. MLS shall schedule an appeal with the Commissioner or his designee at a reasonable date and time taking into account the Player's travel schedule. The Player is obligated to participate in the scheduled appeal. If the Commissioner or his designee is not available for an appeal, discipline is stayed pending the appeal. MLS is not responsible for travel costs related to such hearing. Such appeal hearing may be held at any time within the ten (10) days following receipt of the Union's notice of appeal. The Commissioner will consult with

the Union concerning the person(s) to serve each season as the Commissioner's designee(s) for hearing appeals.

- (e) The hearing will be by telephone conference call unless the Player, Union and/or MLS requests the hearing to be in-person. The party requesting an in-person hearing will be obligated to travel to the other party's city for such hearing. As soon as practicable following the conclusion of such hearing, the Commissioner will render a written decision which, except as set forth in Section 20.2(i), will constitute full, final and non-reviewable (in arbitration or otherwise) disposition of the dispute and will be binding on the Player(s) involved and the parties to this CBA. Any discipline imposed may be affirmed, reduced or vacated by the Commissioner in such appeal, but may not be increased. A suspension shall not be stayed pending appeal, except as set forth in Section 20.2(iv)(d).
- (f) In the event that the Commissioner has determined that a Player's conduct falls within the scope of Article 16 or Section 20.2(ii)(a) and has determined that the offense justifies the termination of the Player's contract, and the Union asserts that the reason(s) provided by the Commissioner in support of that determination are a pretext for a decision to terminate because of MLS's belief that the Player's "value" is not commensurate with his contractual compensation, the Union may appeal the determination to the Impartial Arbitrator.

**Section 20.3 Rules and Regulations:** MLS may amend the cautionable offenses points schedule and the fines, suspensions and other penalties provided for therein, as provided by Article 5 (Management Rights), but in exercising its discretion to make such modifications, MLS may not act arbitrarily or capriciously, and may not increase fines, suspensions or other penalties without MLS (1) first consulting with the Union and (2) having a good faith and demonstrable reason resulting from a change in competition format, a specific behavioral problem, a USSF, CONCACAF or FIFA directive or rule change, or an issue that otherwise reasonably needs to be addressed.

**Section 20.4 Deduction of Fines:** MLS shall deduct from any amounts due under Paragraph 1 of the Player's SPA any fines or penalties levied against the Player by MLS and/or his Team unless (i) the fine is under appeal to the League in accordance with the procedure set forth in Section 20.2(iv), above, or (ii) the Commissioner's decision in connection with such fine or penalty is the subject of a Grievance under Article 21 herein. Fines in excess of \$250 shall be prorated on a reasonable installment basis at the Player's discretion over up to eight (8) payroll periods, unless the Player has been released or his SPA will expire within those periods.

Fifty percent (50%) of fine monies will be contributed to a charity or charities designated by the Union. The remaining fifty percent (50%) of fine monies will be contributed to a charity or charities designated jointly by the League and the Union.

**Section 20.5 Paid and Unpaid Suspensions:** An automatic suspension resulting from issuance of a red card will not, in itself, result in loss of pay. As noted in Section 20.2, additional discipline may be imposed for the same conduct resulting in issuance of a red card.

**Section 20.6 Right to Representation:** The Union shall be given advance notification of any investigative interview of a Player or any hearing involving a Player. The Union has the right to be present during any such interview or at such hearing. A Player's agent may be present in addition to, but not instead of, such Union representative.

**Section 20.7 Union Meetings with Disciplinary Committee:** The Union and the Disciplinary Committee shall meet once per year to discuss the decisions of the Disciplinary Committee and any other relevant issue regarding the work of the Disciplinary Committee.



## ARTICLE 21

### GRIEVANCES AND ARBITRATION

**Section 21.1 Definitions** A "Grievance" is any dispute involving the interpretation or application of, or compliance with, any agreement between the Union and MLS or between a player and MLS. Grievances will be resolved exclusively in accordance with the procedure set forth in this Article, except where otherwise provided in this CBA (including the SPA). Any breach of this Agreement by a Team shall also be subject to the Grievance and arbitration procedure.

**Section 21.2 Initiation:** A Grievance may be initiated by MLS or the Union only. A Grievance must be initiated within thirty (30) days from the date of the occurrence or non-occurrence of the event upon which the Grievance is based, or within thirty (30) days from the date on which the facts of the matter became known or reasonably should have been known to the party initiating the Grievance, whichever is later.

**Section 21.3 Filing:** A party shall initiate a Grievance by filing a written notice by fax or e-mail and telephone (including voice mail) with the other party. The notice shall set forth the specifics of the alleged action or inaction giving rise to the Grievance and shall cite the provision of this CBA (including any SPA or addendum thereto) allegedly breached, and provide an explanation of the theories being asserted, although a party shall not be precluded from subsequently asserting, and the Impartial Arbitrator shall not be precluded from finding, that a different provision or agreement has been breached, or that an award should be based on a theory other than it asserted when the Grievance was initiated. The party served with a Grievance will answer in writing by fax or email and telephone (including voice mail) within ten (10) days of receipt thereof. The answer will set forth admissions or denials as to the facts alleged. If the answer denies the Grievance, the specific grounds for denial, including any supporting theories, will be set forth.

#### **Section 21.4 Grievance Committee:**

(i) If a Grievance is not resolved within seven (7) days after the answer has been filed, the Grievance shall be referred to a Grievance Committee (unless the parties jointly agree to submit the matter directly to the Impartial Arbitrator), consisting of a representative appointed by MLS and a representative appointed by the Union. Within fourteen (14) days following such reference, the Grievance Committee shall meet by telephone on a date and at a time agreed upon; provided, however, that, upon the request of either party the Grievance Committee shall meet in person, with such meetings to be held in Washington, D.C. if MLS requests the in-person meeting and New York, NY if the Union requests the in-person meeting, unless otherwise agreed. Each party shall bear its own costs related to its participation in such meetings.

(ii) At the Grievance Committee meeting, the parties shall discuss with specificity the claims, issues and/or questions presented by the Grievance and review and discuss resolution and/or settlement of the Grievance.

(iii) Evidence of settlement discussions and offers shall be inadmissible before the Impartial Arbitrator.

(iv) No Grievance shall be arbitrable unless it is first heard by the Grievance Committee.

**Section 21.5 Arbitration:** If neither party requests to have the Grievance submitted to the Grievance Committee, the grieving party may, within thirty (30) days of the due date of the answer to the Grievance, elect to arbitrate the Grievance as set forth herein. If the Grievance is submitted to the Grievance Committee and the Grievance Committee fails to resolve the Grievance at its meeting, the grieving party may, within ten (10) days after the Grievance Committee meeting, elect to arbitrate the Grievance as set forth herein. A party electing to arbitrate a Grievance shall do so by filing a written notice of intention to arbitrate by mail, and email or fax with the Impartial Arbitrator and the other party. Each party may, in good faith, raise arguments and facts not presented in the Grievance or answer.

**Section 21.6 Selection of Impartial Arbitrator:** There will be one impartial arbitrator, appointed jointly by the parties, who shall serve from year to year; provided, however, that between December 1 and 15 of any year, either of the parties to this CBA may discharge the impartial arbitrator by serving written notice upon him/her during that period and upon the other party to this CBA (the "Impartial Arbitrator"). The Impartial Arbitrator so discharged shall render decisions in cases where the hearing(s) has been held and the record has been closed, but in no other cases. The parties, after reasonable search and due diligence, shall thereupon either agree upon a successor Impartial Arbitrator or, failing agreement, an ad hoc Arbitrator shall be selected for each arbitrable Grievance under the "Appointment from Panel" provision in the Labor Rules of the American Arbitration Association then in effect.

**Section 21.7 Hearing:** It is intended that witnesses appear at the arbitration hearing and that hearings shall be in person, in the presence of the Impartial Arbitrator. The parties shall each use their best efforts to require witnesses to appear at the scheduled hearing. If a witness is unavailable, the party offering the witness shall notify the other party as soon as the unavailability of the witness is known. If the parties agree, the witness may testify by telephone. If the parties do not agree, a hearing date shall be selected for the purpose of taking the witness's testimony. The record shall be closed at the end of the hearing unless the Arbitrator orders to the contrary.

**Section 21.8 Arbitrator's Decision and Award:** The Impartial Arbitrator will issue a written decision within thirty (30) days of the close of the record. The decision of the Impartial Arbitrator will constitute full, final and complete disposition of the Grievance, and will be binding upon the Player(s) involved and the parties to this CBA; provided, however, that the Impartial Arbitrator will not have the jurisdiction or authority to add to, subtract from, or alter in any way the provisions of this CBA or any SPA or addendum. In resolving Grievances, the Impartial Arbitrator will have the authority to interpret, apply and determine compliance only with any provision of this CBA and/or an SPA. The Impartial Arbitrator shall have no authority to alter or modify the contractual relationship or status between a Player and the League, other than where such remedy is expressly provided for in this CBA.

**Section 21.9 Time Limits:** If any Grievance is not processed or resolved in accordance with the prescribed time limits within any step, unless an extension of time has been mutually agreed upon in writing, the grieving party, after notifying the other party of its intent in writing, may proceed to the next step. Failure to file a Grievance within the time limit prescribed by Section 21.2, above, shall be deemed a waiver of such Grievance, and such waiver shall be binding in arbitration before the Impartial Arbitrator.

**Section 21.10 Fees and Costs:** Except as otherwise set forth herein, all costs of arbitration, including the fees and expenses of the Impartial Arbitrator, will be shared equally by the parties. The parties shall each be responsible for their separate costs.

**Section 21.11 Medical Determinations:** It is understood that cases concerning or involving player injuries may be heard by the Impartial Arbitrator, but in such cases the medical conclusions of the Independent Physician shall be conclusive and the Impartial Arbitrator shall have no jurisdiction to make such medical determinations.

## ARTICLE 22

### INSURANCE COVERAGES

**Section 22.1 Medical Insurance:** MLS shall provide Players with valid Guaranteed Contracts or Semi-Guaranteed Contracts (but not any Player signed to a Short Term SPA) with hospital, major medical and dental coverage. Applicable summary plan descriptions are available in the MLS office and shall be provided to the Union. Each Player party to a SPA (and such Player's eligible dependents, if applicable) will be provided with medical benefits. The eligibility requirements, circumstances under which benefits may be terminated, and the nature of the benefits will be set forth in summary plan descriptions that will be distributed by MLS to each Player and to the Union. MLS shall provide a Canadian and International plan for Players assigned to Teams located in Canada that is structured, as reasonably close as possible, to the hospital, medical and dental benefits provided under this Article to Players assigned to Teams in the United States.

Subject to any conditions and limitations contained in the plan currently in effect, the medical plan will provide, at a minimum, that Players receive either (a) in-network services with an annual deductible of no more than \$250 for individual coverage (\$500 for family coverage), or, for out-of-network services, an annual deductible of no more than \$500 for individual coverage (\$1,000 for family coverage); (b) no co-insurance limit for in-network services, or, for out-of-network services, a maximum co-insurance limit of \$1,500 for individual coverage (\$3,000 for family coverage); (c) coverage for 100% of in-network services, after a \$25 co-pay (\$30 for a specialist), or, for out-of-network services, coverage for 80%; (d) unlimited lifetime maximum benefits; and (e) coverage for prescription drugs as follows: (i) \$15 co-payment for generic drugs; (ii) \$20 co-payment for formulary brand name drugs; and (iii) \$35 co-payment for non-formulary brand name drugs.

**Section 22.2 Dental Insurance:** Each Player party to a Guaranteed Contract or Semi-Guaranteed Contract (but not any Player signed to a Short Term SPA), and such Player's eligible dependents, if applicable, will be provided with dental benefits. The eligibility requirements, circumstances under which benefits may be terminated, and the nature of the benefits will be set forth in summary plan descriptions that will be distributed by MLS to each Player and to the Union.

Subject to any conditions and limitations contained in the plan currently in effect, the medical plan will provide, at a minimum, that Players receive, with no annual deductible, coverage for 100% of preventive and basic services (as those services are defined in the current insurance plan); coverage for 80% of general dental expenses (as those services are defined in the current insurance plan), after a deductible of \$50 for individual coverage (\$100 for family); and coverage for 50% of crowns, inlays, gold fillings, and fixed bridge work, after a deductible of \$50 for individual coverage (\$100 for family). Dental benefits are subject to a \$1,500 individual annual maximum.

**Section 22.3 Life Insurance:** The League shall maintain in effect a group life insurance policy providing a face policy amount of \$75,000 per eligible Player, for those Players who are parties to a valid, current SPA, and \$50,000 of coverage for such Players' spouses, and \$10,000 of coverage for each such Player's dependent children. For each Player who is a party to a valid current SPA, an Accidental Death and Dismemberment policy shall also be maintained by the League providing benefits up to \$75,000 per eligible Player. Payments under such policy shall be dependent on the type of injury suffered, in accordance with the benefit levels set forth in the insurance carrier's schedule of benefits in effect as of January 1, 2005, which is subject to change from time to time in

accordance with the carrier's current contract as approved by the Insurance Commissioner of New York State. In the event that there is a material change to such benefit levels, MLS shall obtain coverage with benefit levels substantially similar to those provided as of January 1, 2005, if such benefit levels are available from another carrier.

**Section 22.4 Long-Term Disability:** Long-Term Disability insurance will be provided that, in the case of covered conditions, provides benefits equivalent to sixty (60%) of the Player's salary, with a monthly maximum benefit of \$10,000. Premiums for such insurance shall be paid by MLS.

**Section 22.5 Workers' Compensation:** MLS shall provide workers' compensation benefits in accordance with applicable statutes, provided that, in any state or province where workers' compensation coverage is not compulsory, MLS will either voluntarily obtain coverage under the compensation laws of that state or otherwise guarantee equivalent benefits to Players in that state or province. MLS will not challenge for lack of jurisdiction, a Player's workers' compensation claim filed in New York State. For purposes of workers compensation coverage, the parties acknowledge and agree that MLS and the Team that the Player has been assigned to are joint employers of that Player. Where permitted by law, MLS may receive a reimbursement or credit or offset against a workers' compensation award based on compensation paid by MLS to a Player while under an SPA. This reimbursement or credit or offset, however, shall be limited to fifty percent (50%) of the statutory rate that workers' compensation would have provided for the period of disability during which MLS paid the Player his full salary under his SPA, where the period of disability was between the start of Pre-Season and the Player's Team's last game of the League Season, provided however that reimbursement and/or defenses against workers' compensation claims for lost wages during the Term of an SPA will not be subject to this limitation. This reimbursement will only be permitted with respect to claims filed for injuries that occurred after February 1, 2010.

**Section 22.6 Insurance Providers:** MLS may change the carrier of any of the foregoing insurance programs at any time during the term of this CBA, after consultation with the Union, provided that, subject to the terms set forth in this Article, in no event shall any change in insurance carrier result in a material decrease in the types or levels of any of the benefits provided for above.

## **ARTICLE 23**

### **COMPETITION GUIDELINES**

Each Player shall be subject to the provisions of the Competition Guidelines. The Competition Guidelines in effect as of the date of this CBA are attached as Exhibit 6 and shall be deemed incorporated herein. In the event of a conflict between the Competition Guidelines and an express provision of the CBA, the express provision of the CBA shall govern. A copy of the Competition Guidelines, and all amendments thereto, shall be available at the MLS office. Each time that the League amends the Competition Guidelines, it shall as soon as reasonably possible, distribute a copy of such amended document(s) to the Union and, upon the request of the Union, shall provide each Player with a written description of the changes made to such document(s).

## ARTICLE 24

### COMMITTEES; PLAYING CONDITIONS

**Section 24.1 Health and Safety Committee:** A representative of the Union shall be a member of the Health and Safety Committee (which Committee will specifically, but without limitation, address concussions). This Committee will make recommendations to the Commissioner concerning health and safety procedures and protocols.

**Section 24.2 Joint Labor-Management Committee:** To foster greater cooperation and to review the administration of this Agreement, the parties will establish a Joint-Labor Management Committee with an equal number of representatives (but no more than three per party) that will meet at least twice per year. The parties shall exchange their respective agenda items three weeks before the meeting.

**Section 24.3 Off-Season Training Committee:** The League and the Union will form a joint committee, with an equal number of members, to create recommendations on best practices for Off-Season training. Such committee will deliver its recommendations, which will be distributed to each Team, no later than September 1, 2015. Such best practices may include different practices for different classifications of players (e.g., veteran players v. players with fewer years of experience), and once recommended by the Off-Season Training Committee, the best practices must be approved by it on an annual basis to remain effective.

**Section 24.4 Technical Committee:** The League will solicit input from the Union regarding issues that are discussed with the MLS Technical Committee, and will provide the Union with information reasonably necessary to allow the Union to provide meaningful input on the issues to be discussed with the MLS Technical Committee,

**Section 24.5 Playing and Practice Facilities:** The parties agree that it is in their mutual interest that practice and game facilities, including but not limited to practice and playing surfaces, be safe and well-maintained. Although not obligated to provide it, MLS recognizes the desirability of grass playing surfaces for MLS games and practices.

## ARTICLE 25

### ALL-STAR GAME; ALL-LEAGUE TEAMS

**Section 25.1 All-Star Game:** For 2015 and 2016, in the event that MLS elects to hold an All-Star Game during any League Season during the Term, MLS will name thirty-two (32) Players as All-Stars, who shall be considered All-Stars for purposes of any performance bonus and/or base salary adjustment in the Player's SPA. If no All-Star Game is held in 2015 or 2016, a minimum of thirty-two (32) Players shall nevertheless receive any performance bonus and/or base salary adjustment in the respective Player's SPA designated for being named an MLS All-Star. For 2017 and beyond, in the event that MLS elects to hold an All-Star Game during an MLS Season during the term of this CBA, MLS will name a minimum of twenty-four (24) Players as All-Stars, who shall be considered All-Stars for purposes of any performance bonus and/or base salary adjustment in the Player's SPA. If MLS names more than twenty-four (24) Players as All-Stars, all such Players shall be considered All-Stars for purposes of any performance bonus and/or base salary adjustment in the Player's SPA. For clarity, if MLS names more than twenty-four (24) Players as All-Stars such increased number will only be relevant for that specific year and will not set a new floor. If no All-Star Game is held in 2017 (or any year thereafter), a minimum of twenty-four (24) Players shall nevertheless receive any performance bonus and/or base salary adjustment in the respective Player's SPA designated for being named an MLS All-Star. The League retains sole discretion to decide whether an All-Star Game shall be held in any season during this CBA and, if an All-Star Game is held, the format of such game and the composition of the playing roster, including whether the game shall include non-MLS players. MLS agrees to consult with the Union on any changes in the All-Star roster selection process, and shall exercise good-faith in naming All-Star caliber Players as the Players who shall receive an All-Star bonus and/or base salary adjustment, if applicable, pursuant to their SPA.

**Section 25.2 All-League Team:** Each season during this CBA the League shall name an MLS All-League Team (the "Best Eleven"), and each Player named to such team shall receive any performance bonus and/or base salary adjustment in the Player's SPA designated for being named to the Best Eleven.

**Section 25.3 Home Grown Player All-Star Game:** MLS has the right, but not the obligation, to hold a Home Grown Player All-Star Game during the League Season. Unless a Player has individually negotiated a larger bonus in connection with being named to the Home Grown Player All-Star Team, a Player named to that team shall receive a \$750 bonus.



## ARTICLE 26

### NOTICES

**Section 26.1** Except as addressed elsewhere by this CBA, the League agrees that all notices issued to Players as a group (by Team or otherwise) will be written in both English and Spanish. Disciplinary notices shall include contact information for a person at MLS concerning such discipline.

**Section 26.2** Except as addressed elsewhere by this CBA, any and all notices given or required to be given pursuant to this CBA shall be sent by personal delivery, overnight courier (e.g., UPS or FedEx) or by e-mail as set forth below. Proof of e-mail must be available through a confirmation of receipt (either via e-mail or telephone). Option notices must be sent to the applicable Player, or his authorized representative, as set forth in the Player's SPA, or as set forth in a signed form provided to MLS, and may also be sent by certified mail (return receipt requested). Notices shall be deemed to have been received on the date such notice is delivered to the address stated below (or such other address as may be specified in writing by the parties hereto) or, in the case of certified mail, on the fifth (5<sup>th</sup>) business day following the date on which it was mailed:

If to MLS, at:

Major League Soccer  
Attn.: Todd Durbin  
[todd.durbin@MLSsoccer.com](mailto:todd.durbin@MLSsoccer.com)  
420 Fifth Avenue -7<sup>th</sup> floor  
New York, New York 10018  
Fax: (212) 450-1341; **AND**

Attn.: William Ordower  
[bill.ordower@MLSsoccer.com](mailto:bill.ordower@MLSsoccer.com)  
420 Fifth Avenue – 7<sup>th</sup> Floor  
New York, NY 10018  
Fax: (212) 450-1351 **AND**

Proskauer Rose LLP  
Attn: Howard Robbins  
[hrobbins@proskauer.com](mailto:hrobbins@proskauer.com)  
11 Times Square  
New York, NY 10036  
Fax: (212) 969-2900

If to the Union, at:

MLS Players Union  
Attn: Bob Foose  
[bfoose@mlsplayers.org](mailto:bfoose@mlsplayers.org)  
7700 Old Georgetown Rd, Suite 730  
Bethesda, MD 20814  
Fax: (301) 907-8212; **AND**

Sherman, Dunn, Cohen, Leifer & Yellig, P.C.  
Attn: Jon Newman  
[newman@shermardunn.com](mailto:newman@shermardunn.com)  
900 7th Street, NW, Suite 1000  
Washington, DC 20001  
Fax: (202) 775-1950

If to the Player, at the address set forth under his name, or the name of his agent or lawyer, as set forth in the Player's SPA or in a signed form provided to MLS. Absent a signed designation by the Player, notices to the Player will be sent to the Player, at his last known address, and the Union.

## ARTICLE 27

### MISCELLANEOUS

**Section 27.1 Conflicts of Interest:** No Player shall, directly or indirectly, loan money to or become surety or guarantor for any umpire, referee, linesman or similar official employed by the League. No Player shall represent, directly or indirectly, any other Player in the League except through the Union, or have any financial interest or participation in any entity that represents players except the Union.

**Section 27.2 Headings:** The headings, including all Article, Section and subsection numbers in this CBA are solely for the convenience of the parties, and shall not be deemed part of, or considered in construing or interpreting, this CBA.

**Section 27.3 Time Periods:** Unless expressly stated to the contrary, the specification of any time period in this CBA shall include any non-business days within such period, except that any deadline falling on a Saturday, Sunday or federal (U.S.) holiday shall be deemed to fall on the following business day.

**Section 27.4 Exhibits:** All of the exhibits hereto are an integral part of this CBA.

**Section 27.5 Interpretation:** The parties agree that the provisions of this CBA shall be construed in accordance with generally accepted principles applicable in labor arbitration in the United States and without regard to which party drafted a particular provision.

**Section 27.6 Integration:** This CBA, together with the exhibits hereto, constitutes the entire understanding between the parties, and all understandings, conversations and communications, proposals and counter proposals, oral and written (including any draft of this Agreement) between MLS and the Union, or on behalf of them, are merged into and superceded by this Agreement and shall be of no force or effect, except as expressly provided herein. No understanding contained in this Agreement shall be modified, altered or amended, except as by a writing signed by the party against whom enforcement is sought.

## **ARTICLE 28**

### **GROUP LICENSING**

The Union, on behalf of present and future MLS players, agrees that MLS and its assignees or licensees, during the term of the Group License Agreement between the Union and MLS dated December 1, 2004, and amended as of February 1, 2010, (“Group License Agreement”) has the exclusive right to use the “likenesses” of each MLS Player as such term is defined in, for such group licensing purposes as are set forth in the SPA, and in accordance with the terms of, the Group License Agreement.

## ARTICLE 29

### PLAYER MOVEMENT RULES

**Section 29.1 Re-Entry Draft - Players Whose Options Are Not Exercised:** For a Player not eligible for Free Agency who will be at least twenty three (23) years of age in the year in which the applicable Re-Entry Draft will take place and who has completed at least three (3) MLS Service Years, if such Player's option is not exercised, then in accordance with the procedures set forth in Exhibit 13:

(a) The Player is placed in the Re-Entry Draft and made available to all Teams other than his previous Team during Stage One of the Re-Entry Draft. If the Player opts out of Stage One of the Re-Entry Draft, his current Team shall retain a right of first refusal in the event the Player is offered a contract by the League.

(b) When a Team selects a Player in Stage One under this Section, that Player's option shall be deemed exercised by MLS, and the Player shall be assigned to the Team selecting the Player.

(c) If a Player is not selected by another Team in Stage One, he is placed in Stage Two of the Re-Entry Draft. If placed into Stage Two, the Player's previous Team may not select him until all Teams have exhausted all of their selections in Stage Two. If the Player opts out of Stage Two of the Re-Entry Draft, his current Team shall retain a right of first refusal in the event the Player is offered a contract by the League.

(d) When a Team claims a Player in Stage Two under this Section: (i) if the Player has negotiated and signed a new contract with the League, the Player shall be assigned to the claiming Team under the new contract; or (ii) if the Player has not negotiated and signed a new contract with the League, the League shall make a genuine offer to the Player within seven (7) days, and if accepted, the Player shall be assigned to the Team that selected him

(e) If a Player is not selected in Stage Two, the Player shall thereafter be made available to all Teams on a "first-come, first serve" basis.

**Section 29.2 Players Whose Team Wants to Waive the Player:** For Players who will be at least twenty two (22) years of age in the applicable League Year and have completed at least one (1) MLS Service Year, prior to MLS unilaterally terminating such Player's SPA:

(a) Player will be placed on waivers or in a waiver draft and made available to all Teams at the current salary.

(b) If the Player is not claimed by another Team, the Player will be made available on a "first come, first serve" basis.

**Section 29.3: Re-Entry Draft – Players Who Play Out Contract (25+4):** For Players who will be at least twenty five (25) years old in the year in which the applicable Re-Entry Draft is held and have at least four (4) MLS Service Years who: (i) are not eligible for Free Agency, or (ii) are eligible for Free Agency, but have notified the League and the Union in writing of their intention to opt out of Free Agency and into the Re-Entry Draft (“25+4 Player”), if such Player’s contract has expired, then in accordance with Exhibit 13 the Player may participate in the Re-Entry Draft as follows:

(a) If the Player receives a 25+4 bona fide offer from his current Team, his current Team will retain a right of first refusal in the event the Player is offered a contract by the League.

(b) A 25+4 bona fide offer shall be an offer of at least 100% of the Player’s last annual base salary, with the base salary in each option year increasing by at least five percent (5%) and with at least the same: (i) recurring performance bonuses, (ii) recurring marketing compensation, and (iii) recurring signing, loyalty or other bonuses contained in the Player’s expired contract.

(c) If the Player’s prior Team does not make a 25+4 bona fide offer, the Player shall be placed in the Re-Entry Draft and made available to all Teams other than his previous Team during Stage One of the Re-Entry Draft. If the Player opts out of Stage One of the Re-Entry Draft, his prior Team shall retain a right of first refusal in the event the Player is offered a contract by the League.

(d) When a Team selects a Player in Stage One under this Section, MLS shall offer that Player a contract that is no less than a 25+4 bona fide offer.

(e) If a 25+4 Player is not selected in Stage One, he shall be placed in Stage Two of the Re-Entry Draft. If placed into Stage Two, the Player’s previous Team may not select him until all Teams have exhausted all of their selections in Stage Two. If the Player opts out of Stage Two of the Re-Entry Draft, his current Team shall retain a right of first refusal in the event the Player is offered a contract by the League.

(f) When a Team claims a Player in Stage Two under this Section: (i) if the Player has negotiated and signed a new contract with the League, the Player shall be assigned to the claiming Team under the new contract; or (ii) if the Player has not negotiated and signed a new contract with the League, the League shall make a genuine offer to the Player within seven (7) days, and if accepted, the Player shall be assigned to the Team that selected him.

(g) If a 25+4 Player is not selected in Stage Two, the Player shall thereafter be available to all Teams on a “first-come, first serve” basis.

**Section 29.4 Re-Entry Draft – Players Who Play Out Contract (30+8):** For Players who are at least thirty (30) years old and have at least eight (8) MLS Service Years who: (i) are not eligible for Free Agency; or (ii) are eligible for Free Agency but have notified the League and the Union in writing of their intention to opt out of Free Agency and into the Re-Entry Draft (“30+8 Player”), if such Player’s contract has expired, then in accordance with Exhibit 13, the Player may participate the Re-Entry Draft as follows:

(a) Unless otherwise eligible for Free Agency, if the Player receives a 30+8 bona fide offer from his current Team, his current Team will retain a right of first refusal in the event the Player is offered a contract by the League.

(b) A 30+8 bona fide offer shall be an offer of at least 105% of the Player's last annual base salary with the base salary in each option year increasing by at least five percent (5%) and with at least the same: (i) recurring performance bonuses, (ii) recurring marketing compensation, and (iii) recurring signing, loyalty or other bonuses contained in the Player's expired contract.

(c) If the Player's prior Team does not make a 30+8 bona fide offer, the Player shall be placed in the Re-Entry Draft and made available to all Teams other than his previous Team during Stage One of the Re-Entry Draft. If the Player opts out of Stage One of the Re-Entry Draft, his prior Team shall retain a right of first refusal in the event the Player is offered a contract by the League.

(d) When a Team selects a Player in Stage One under this Section, MLS shall offer that Player a contract that is no less than a 30+8 bona fide offer.

(e) If a 30+8 Player is not selected in Stage One, he shall be placed in Stage Two of the Re-Entry Draft. If placed into Stage Two, the Player's previous Team may not select him until all Teams have exhausted all of their selections in Stage Two. If the Player opts out of Stage Two of the Re-Entry Draft, his current Team shall retain a right of first refusal in the event the Player is offered a contract by the League.

(f) When a Team claims a Player in Stage Two under this Section: (i) if the Player has negotiated and signed a new contract with the League, the Player shall be assigned to the claiming Team under the new contract; or (ii) if the Player has not negotiated and signed a new contract with the League, the League shall make a genuine offer to the Player within seven (7) days, and if accepted, the Player shall be assigned to the Team that selected him.

(g) If a 30+8 Player is not selected in Stage Two, the Player shall thereafter be made available on a "first-come, first serve" basis.

## **Section 29.5 Free Agency: Option Decline Players**

### **(a) Option Decline - Eligibility:**

(i) Age and Service Years: Free Agency is available for option decline Players who will be at least twenty-eight (28) years old in the year in which the immediately preceding League Season concluded and have at least eight (8) MLS Service Years.

(b) Option Decline Players Free Agency Process - Parameters: A Player who meets the eligibility requirements set forth above and whose option has been declined by his Team may select his Team (from a list of interested Teams) pursuant to the following parameters, and in accordance with Section 29.9:

(i) Player shall be included on a list of Players eligible for Free Agency distributed by MLS to all Teams and the Union.

(ii) Player may be compensated pursuant to the terms of his option (i.e., a Team (other than his current Team) is willing to exercise his option).

(iii) Player may be compensated at an amount equal to or less than his declined option price, provided that such compensation is less than the Maximum Salary Budget Charge.

(iv) Player may be compensated at an amount less than his declined option price, but greater than the Maximum Salary Budget Charge provided that such amount shall be negotiated between the League and Player. For clarity, even if a Team indicates that it would accept the Player at higher compensation, the negotiation between the League and Player is determinative of the Player's compensation.

(c) Player may re-sign with his current Team at any compensation subject to League approval in its discretion at any time prior to the beginning of Stage Two of the Re-Entry Draft. After that time, such Player may re-sign with his current Team, but only at the compensation allowed under Section 29.5(b), unless otherwise agreed by the League.

## **Section 29.6 Free Agency : Out-of-Contract Players**

(a) Out-of-Contract Players - Eligibility:

(i) Age and Service Years: Free Agency for out-of-contract players is available for Players who will be at least twenty-eight (28) years old in the year in which the immediately preceding League Season concluded and have at least eight (8) MLS Service Years.

(ii) Compensation Limitation: An out-of-contract Player whose Salary Budget Charge exceeded the Maximum Salary Budget Charge for the immediately preceding League Season, and whose Salary Budget Charge for the next League Season, based on an offer from his current Team, will also exceed the Maximum Salary Budget Charge, will not be eligible for Free Agency. An out-of-contract Player whose Salary Budget Charge exceeded the Maximum Base Salary for the immediately preceding League Season, and whose current Team did not make him an offer in excess of the Maximum Salary Budget Charge, may go through Free Agency provided that he agrees to a new SPA that results in his Salary Budget Charge being less than the Maximum Salary Budget Charge.

(iii) Bona Fide Offer: Subject to Section 29.6(a)(ii), an out-of-contract Player who receives a bona fide offer from his current Team may still participate in Free Agency.

(b) Out-of-Contract Players - Eligibility: A Player who meets the eligibility requirements and who will be out-of-contract may select his Team (from a list of interested Teams) pursuant to the following parameters, and in accordance with Section 29.9:



(i) Player shall be included on a list of Players eligible for Free Agency distributed by MLS to all Teams and the Union.

(ii) Player may re-sign with his current Team at any compensation subject to League approval in its discretion at any time prior to the beginning of Stage Two of the Re-Entry Draft. After that, a Player may re-sign with his current Team, but only at the compensation allowed under Section 29.6(b)(iii), unless otherwise agreed by the League.

(iii) Player may be compensated at the following base salary above his previous year's base salary:

- Players earning up to \$100,000 in base salary: 125%;
- Players earning between \$100,000 and \$200,000 in base salary: 120%;
- Players earning more than \$200,000 in base salary: 115%; or
- Such greater percentage determined under Section 29.8

### **Section 29.7 Free Agency : Miscellaneous**

(a) No League Interference. For option decline Players, the League will not prevent or interfere with a Team accepting a Player at his option price (Section 29.5(b)(ii)) or at the maximum increase allowed at compensation less than his declined option price and less than the Maximum Salary Budget Charge (Section 29.5(b)(iii)). For out-of-contract Players, the League will not prevent or interfere with a Team accepting a Player at the maximum increase allowed pursuant to Section 29.6(b)(iii) or Section 29.8. In addition, the League will not prevent or interfere with a Team accepting a Player at less than the maximum increase allowed pursuant to Section 29.5(b)(iii) or Section 29.6(b)(iii).

(b) Compensatory Allocation: Any Team that has a net loss of out-of-contract Players as part of Free Agency will receive compensation of \$50,000 in allocation per net Player loss from the League in its discretion provided that the Team first made a bona fide offer (an offer of a base salary equal to or greater than 105% of the previous year's salary) to the Player prior to the start of Free Agency. The allocation will be provided at the end of the immediately subsequent season after the out-of-contract Player(s) was lost (e.g., Player loss occurs December 2014, allocation is provided in December 2015).

(c) Limitations: No Team may acquire more than two (2) out-of-contract Players via Free Agency in a given year. MLS may increase such amount in its discretion.

(d) Contract Terms: A Player participating in Free Agency pursuant to either Section 29.5 or Section 29.6 will enter into a contract with a new Team for the following term and with bonuses and other recurring payments as set forth in his prior agreement:

- Players age 28-30: Two (2) year Guaranteed Contract with up to two (2), one (1) year unilateral options, with each additional guaranteed year and option year including a 5% increase in base salary; or One (1) year Guaranteed Contract with up to two (2), one (1) year unilateral options, with each additional option year including a 5% increase in base salary.

- Players age 31+: One (1) year Guaranteed Contract with up to one (1), one (1) year unilateral option at a 5% increase in base salary.
- Any different term/option structure must be approved by the League.

(e) Limitation on Player Contract Re-Negotiations: For any Player who is re-assigned to a new Team through Free Agency, such Player may not sign a new contract until after the immediately subsequent Roster Freeze Date, and any such renegotiation would be subject to League approval. MLS may decrease the time period for this limitation in its discretion on a case-by-case basis.

(f) Limitation on Player Trades: For any Player eligible for Free Agency who signs a new contract with his existing Team at a value greater than the percentage at which he would enter Free Agency (i.e., 115%, 120% or 125% of his previous year's base salary or such greater percentage determined under Section 29.8), such Player may not be traded until after the subsequent League Season to ensure that such signing is not done to circumvent the process. MLS may decrease the time period for this limitation in its discretion including on a case-by-case basis.

(g) League Approval. All contracts for Players involved in the Free Agency process must be approved by the League in its discretion subject to the terms and limitations of this Article 29.

**Section 29.8 Outperformance Mechanism:** The League will consult with the Union over whether an out-of-contract player has significantly and materially outperformed his expired contract. In the event the League determines that a player (i) is out of contract; and (ii) significantly and materially outperformed the expired contract, the League shall, after consultation with the Union, enter the player in Free Agency at an amount greater than the percentage at which he is otherwise designated to enter Free Agency (i.e., 115%, 120% or 125%). For purposes of determining whether a player has "significantly and materially outperformed" his contract, the following factors which bear upon the player's MLS value may be considered:

- (i) Whether the Player earned Team or League awards he had not previously earned during his contract/career (e.g. Player became All-League in the final year of his contract but was not All-League previously during his contract/career);
- (ii) Significant increase in objective performance metrics (goals scored, etc.) during his contract;
- (iii) Significant increase in appearances for Player's national team during his contract;
- (iv) The length of time the Player has performed at a significantly and materially higher level than that accounted for in his current contract; and
- (v) Reasonable expected future performance.

**Section 29.9 Mechanics and Timing of Re-Entry Draft and Free Agency:**

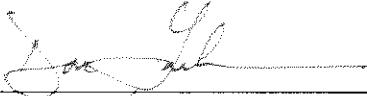
(a) During years in which the League is not adding any expansion Teams the following MLS Season, MLS shall consult with the Union over the date(s) for the Re-Entry Draft and start of Free Agency, provided that: (i) there shall be a minimum of six (6) days between Stage 1 and Stage 2 of the Re-Entry Draft; (ii) the Re-Entry Draft shall be completed no later than twelve (12) days after MLS Cup; and (iii) the start of Free Agency shall be no later than one (1) day before Stage 1 of the Re-Entry Draft.

(b) During years in which the League is adding an expansion Team(s) the following MLS Season, MLS shall consult with the Union over the date(s) for the Re-Entry Draft and start of Free Agency, provided that: (i) there shall be a minimum of five (5) days between Stage 1 and Stage 2 of the Re-Entry Draft; (ii) the Re-Entry Draft shall be completed no later than fourteen (14) days after MLS Cup; and (iii) the start of Free Agency shall be no later than one (1) day before Stage 1 of the Re-Entry Draft.

(c) Upon the start of Free Agency, once a Team and Player agree on terms of a new deal, either through the exercise of the Player's option, or through a new SPA, such terms shall be set forth in a Commitment Form and Schedule signed by the Player and Team on the applicable form set forth in Exhibit 14. The applicable Commitment Form and Schedule shall be submitted to the Union and League, and the League shall, within the limits set forth in Section 29.7(a), review the same for approval. After Free Agency opens, at the end of the day on which any Commitment Form and Schedule is submitted, the League will send the Teams and the Union an updated list of players available (removing those players who signed Commitment Forms). Once Free Agency opens, an eligible player may thereafter participate in such process.

THIS CBA IS ENTERED INTO EFFECTIVE THE 1ST DAY OF FEBRUARY, 2015.

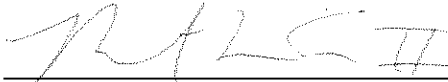
MAJOR LEAGUE SOCCER, L.L.C.



Don Garber  
Commissioner

December 17, 2015

MAJOR LEAGUE SOCCER  
PLAYERS UNION



Robert L. Foose II  
Executive Director

December 21, 2015