

**COLLECTIVE BARGAINING AGREEMENT**

**Between**

**MAJOR LEAGUE SOCCER**

**And**

**MAJOR LEAGUE SOCCER PLAYERS ASSOCIATION**

**February 1, 2020 – January 31, 2028**

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THIS COLLECTIVE BARGAINING AGREEMENT made as of the 1<sup>st</sup> day of February 2020, by and between MAJOR LEAGUE SOCCER, L.L.C. and MLS CANADA LP (together “MLS”) and the MAJOR LEAGUE SOCCER PLAYERS ASSOCIATION (the “MLSPA”).

It is the general purpose of the CBA to promote the mutual interests of MLS, the MLSPA 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 MLSPA 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 MLSPA 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 MLSPA shall be given stadium, press box and locker room passes for Pre-Season, Regular Season, Post-Season and any Exhibition Games. The MLSPA 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 MLSPA meetings shall not be unreasonably withheld, conditioned, or delayed. During any annual scouting combine, the MLSPA will be permitted, at its expense, to present a two-hour orientation for all of the players attending the session, and MLSPA 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 MLSPA 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 MLSPA and League.

## ARTICLE 2

### DEFINITIONS

- (a) “22+1 Player” shall have the meaning set forth in Section 29.2 and 29.3.
- (b) “Affiliate” shall mean: (i) any USL teams that have an MLS recognized affiliation with a Team; or (ii) any team in an MLS-affiliated professional league sanctioned by USSF (including MLS NEXT Pro).
- (c) “Agreement” or “CBA” means this Collective Bargaining Agreement between MLS and the MLSPA, including any and all exhibits and side letters, and any successor agreements thereto.
- (d) “All-League Team” shall have the meaning set forth in Section 25.2.
- (e) “All-Star Game” means a game hosted by MLS for which twenty-four (24) or more Players are selected to the All-Star Game team roster, consistent with Section 25.1.
- (f) “All-Star Player” shall mean a Player selected to the All-Star Game team roster consistent with Section 25.1.
- (g) “Authorization” shall have the meaning set forth in Section 9.1(iv).
- (h) “Best Eleven” shall mean the Players selected for an All-League Team consistent with Section 25.2.
- (i) “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.
- (j) “Commercial Player Licensing Agreement” shall have the meaning set forth in Article 28.
- (k) “Commissioner” means the commissioner of the League.
- (l) “Compulsory Game” or “Compulsory Tournament” means a game or tournament in which CONCACAF, FIFA or USSF requires MLS to participate.
- (m) “CONCACAF” means the Confederation of North, Central America and Caribbean Association Football.
- (n) “Concussion Protocol” shall have the meaning set forth in Section 9.10.
- (o) “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<sup>st</sup>; provided, however, if agreed to by the Player, MLS may extend (or initially set) the Player’s Contract Guarantee Date beyond July 1<sup>st</sup>, 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.

(p) "CSA" shall mean the Canadian Soccer Association.

(q) "Designated Player" shall mean a player whose: (i) unadjusted Salary Budget Charge is above the Maximum Salary Budget Charge; (ii) occupies or should occupy a Designated Player slot; and (iii) for whom player expenditure is not funded by the Salary Budget or GAM/TAM, and such expenditure is reimbursed to the League by an MLS Team Operator (including via a loan or transfer).

(r) "Designated Player Charge" for full-season or mid-season, as applicable, shall have the meaning set forth in Sections 10.10(viii) and (ix).

(s) "Disciplinary Committee" shall have the meaning set forth in Section 20.2(i).

(t) "Discretionary Targeted Allocation Money" or "Discretionary TAM" shall be those TAM amounts set forth in Section 10.10(iv) paid on a discretionary basis by the Team Operator.

(u) "EMR" shall have the meaning set forth in Section 9.1(v).

(v) "Exhibition Game" shall mean any non-League Season game played by a Team that:

(i) involves MLS players, with the exception of Players on loan to non-MLS teams;

(ii) is gated where admission, including anything of value, is charged to attendees (including a Team asking attendees for mandatory or voluntary donation in lieu of paid admission), regardless of whether the admissions are redirected to charities or other third parties, and not including non-gated scrimmages, an open practice of a Team where fans are permitted to attend, other similar non-gated matches; and

(iii) takes place any time between the Regular Season start date and before the Pre-Season Training Camp Start Date of the following season or 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.

An Exhibition Game will be categorized into either Tier 1 or Tier 2 based on the opponent pursuant to Section 10.9. An Exhibition Game that occurs between a

Team's elimination from the Post-Season and the Pre-Season Training Camp Start Date shall be considered a Tier 1 Exhibition Game pursuant to Section 10.9.

(w) "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.

(x) "Execution Date" means the later of: (i) the date the CBA is executed; and (ii) the date the CBA is ratified.

(y) "FIFA" means the Federation Internationale de Football Association.

(z) "FIFA RSTP" shall have the meaning set forth in Section 15.5.

(aa) "Fit" or "Fitness" shall mean medically able to play soccer at an MLS level.

(bb) "Force Majeure Event" shall have the meaning set forth in Section 3.3(i).

(cc) "Free Agency" shall mean a Player's ability to select a Team for which to play as set forth in Article 29.

(dd) "Free Agency Salary Budget Charge" or "FASBC" shall have the meaning set forth in Section 29.4(iii).

(ee) "Generation adidas Player" shall mean a Player who is: (i) selected for the Generation adidas Program; or (ii) currently participating in the Generation adidas Program and occupying Supplemental Roster Slots.

(ff) "Generation adidas Program" shall mean a joint program between MLS and adidas where top college underclassmen, youth national team Players, and other top amateur Players are signed by MLS and made available to Teams in the SuperDraft.

(gg) "General Allocation Money" or "GAM" shall mean a specific pool of money a Team may use to sign Players and/or allocate to Players to reduce the corresponding Salary Budget Charge to its Salary Budget.

(hh) "Grievance" shall have the meaning set forth in Section 21.1.

(ii) "Grievance Committee" shall have the meaning set forth in Section 21.4.

(jj) "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 a Soccer-Related Injury.

(kk) "Homegrown Player" shall mean any Player signed to an SPA who meets the requirements of a Homegrown Player as determined by MLS in accordance with the Roster & Budget Guidelines.

(ll) "Homegrown Player All-Star Game" shall mean a game hosted by MLS and for which Homegrown Players are selected to the Homegrown Player All-Star Game team roster, consistent with Section 25.3.



(mm) “Immediate Family” shall mean the Player’s current spouse and the Player’s dependent unmarried children under the age of eighteen.

(nn) “Impartial Arbitrator” shall have the meaning set forth in Section 21.6.

(oo) “Independent Physician” shall have the meaning set forth in Section 9.3(i)(d).

(pp) “League” means the professional outdoor soccer league operated by MLS.

(qq) “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 Cup.

(rr) “League Year” means the twelve-month period, currently from January 1<sup>st</sup> of one year through and including December 31<sup>st</sup>, during which the League Season is played.

(ss) “Mandatory Spend” shall have the meaning set forth in Section 10.10(i)(a).

(tt) “Maximum Salary Budget Charge” shall have the meaning set forth in Section 10.10(vii).

(uu) “Maximum TAM Amount” shall mean one million United States dollars (US\$1,000,000) plus the Maximum Salary Budget Charge.

(vv) “Authorization for Release of Medical Information” shall have the meaning set forth in Section 9.1(iv).

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

(xx) “MLS Cup” shall mean the MLS league championship game.

(yy) “MLSPA” shall have the meaning set forth in the Preamble.

(zz) “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.

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

(bbb) “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 MLSPA, and updated as needed.

(ccc) “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.

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

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

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

(ggg) “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.

(hhh) “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.

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

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

(kkk) “RED Out-of-Contract Player” shall have the meaning set forth in Section 29.3.

(lll) “Re-Entry Draft” or “RED” shall mean the Player movement process described in Sections 29.2 and 29.3.

(mmm) “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 Game, Post-Season game or championship game.

(nnn) “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 (nnn), 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.

(ooo) “Reserve Minimum Salary” means the minimum salary for Reserve Players as set forth in Section 10.4.

(ppp) “Reserve Player(s)” means those Players who are part of the Reserve Roster. Only Reserve Players who are twenty-four (24) years old (meaning that they turn twenty-four (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 10.4.

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

(rrr) “Roster & Budget Guidelines” means the MLS Roster & Budget Guidelines for the 2022 MLS season, as it may be amended from time to time in MLS’s sole discretion in accordance with Article 5.

(sss) “Roster Compliance Date” means the date within 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 2022 Roster & Budget Guidelines.

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

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

(vvv) “Salary Budget Charge” means the budget charge for a Player against the Team Salary Budget calculated as set forth in Section 10.10(vi).

(www) “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<sup>st</sup>.

(xxx) “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 10.3.

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

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

(aaaa) “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.

(bbbb) “Soccer-Related Injury” shall mean an injury sustained by a Player during the course and within the scope of his employment as a soccer player, including national team duty, during the Term of his SPA (as defined therein).

(cccc) “Standard Player Agreement” or “SPA” means the form Standard Player Agreement (copy attached hereto as Exhibit 1 and any addenda thereto and made a part of this CBA).

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

(eeee) “SuperDraft” shall mean a process by which players competing in NCAA amateur competitions, and other players that MLS may select in its sole and absolute discretion, are made available to Teams.

(ffff) “SuperDraft Player” shall mean a player selected by a Team during the SuperDraft.

(gggg) “Supplemental Roster” means those Players who are not on the Senior Roster.

(hhhh) “Targeted Allocation Money” or “TAM” shall mean the amounts set forth in Section 10.10(iv), which may be used to sign players as set forth in accordance with the 2022 Roster & Budget Guidelines.

(iiii) “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.

(jjjj) “Team Bonus Pool” shall mean the pool into which the Team-based bonuses set forth in Sections 10.7, 10.8, and 10.9 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 MLSPA.

(kkkk) “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.

(llll) “Team Salary Budget” means the Player spend budget set forth in Section 10.10.

(mmmm) “Tier 1 Exhibition Games” shall have the meaning set forth in Section 10.9(i).

(nnnn) “Tier 2 Exhibition Games” shall have the meaning set forth in Section 10.9(ii).

(oooo) “USL” means the United Soccer League.

(pppp) “USSF” means the United States Soccer Federation.

(qqqq) “Youth Player Slot” shall have the meaning set forth in Section 19.4.

Certain terms used in this CBA are defined elsewhere herein, including exhibits hereto.

## ARTICLE 3

### DURATION OF AGREEMENT

**Section 3.1 Term:** This CBA is effective February 1, 2020 and shall remain in full force and effect until midnight on the 31st day of January 2028, 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, 2028 (or of January 31<sup>st</sup> 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 shall inure to the benefit of MLS, Teams, the MLSPA and all Players covered by this CBA, and their successors and assigns.

**Section 3.3 Force Majeure:**

(i) “Force Majeure Event” shall mean the occurrence of any of the following events or conditions that, should those events have occurred during (1) the periods of MLS training or match play, or (2) at a time when other major sports leagues in North America are impacted by such events or conditions and it is reasonably foreseeable that such events or conditions will persist into periods of MLS training or match play, and that would (i) make it impossible for MLS to perform its obligations under the CBA, or (ii) frustrate the underlying purpose of the CBA, or (iii) make it economically impracticable for MLS to perform its obligations under the CBA (such performance, obligations and purpose being understood to include the ability to schedule and conduct full team training and/or games that are televised and without any material limitation on the number of spectators who may attend), including: wars or war-like action (whether actual or threatened and whether conventional or other, including, but not limited to, chemical or biological wars or war-like action); sabotage, terrorism, or threats of sabotage or terrorism; explosions; epidemics, including social distancing guidelines, government orders or other concerns stemming from the COVID-19 or any future pandemic; weather or natural disasters, including, but not limited to, fires, floods, droughts, hurricanes, tornados, storms or earthquakes; and any travel restrictions, government orders or actions (civil or military); provided, however, that none of the foregoing enumerated events or conditions is within the reasonable control of MLS or an MLS Team.

(ii) Upon the occurrence of a Force Majeure Event satisfying the terms of Section (i) above, MLS shall have the right to terminate the CBA as of thirtieth (30<sup>th</sup>) day following delivery to the MLSPA of a written notice of termination, which may be delivered as early as December 1, 2021. During the thirty (30) day period following delivery of such written notice of termination, MLS and the MLSPA shall engage in good faith negotiations for the purpose of entering into a successor agreement.

(iii) No written or oral communication, proposal, counterproposal or draft authored or put forth by either side concerning the subject of force majeure shall be referred to in any arbitration or other proceeding by either party.

## ARTICLE 4

### UNION SECURITY AND CHECK-OFF

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

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

(ii) any Player who is not a member in good standing of the MLSPA must, on the later of the thirtieth (30th) 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 MLSPA. The MLSPA 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 MLSPA 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 on the Check-Off Authorization (copy attached hereto as Exhibit 3 and made part of this CBA) and shall be governed by the provisions hereof.

**Section 4.3 Enforcement:** Upon written notification to MLS by the MLSPA 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 MLSPA, suspend the Player without pay, wherever legal. Such suspension will continue until the MLSPA 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 MLSPA's responsibility to obtain from Players and file with the League written check-off authorizations, the MLSPA shall be solely responsible for refunds to Players in the case of any sums deducted not in conformity with the provisions of the MLSPA's Constitution and Bylaws or applicable law. Further, the MLSPA 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 MLSPA 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 MLSPA 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, the USSF, and the CSA may have rights affecting the conduct of MLS's business, and that MLS may implement mandatory dictates of FIFA and/or requirements of the USSF and/or the CSA without bargaining over the decision to implement such mandatory dictates. If such a mandatory dictate would result in: (i) a change in a Player benefit under an existing rule or regulation; or (ii) 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 MLSPA 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 MLSPA 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: (i) give the MLSPA reasonable notice of the proposed change; (ii) upon request, provide the MLSPA with information reasonably necessary to engage in a meaningful dialogue concerning the proposed change; and (iii) engage in such a dialogue with the MLSPA, provided however, that without needing to reach impasse, the League may at any time implement the proposed change after giving the MLSPA 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 MLSPA. The subjects over which the MLSPA expressly waives its right to bargain are: Roster & Budget 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 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, Homegrown Player rules, regulations and procedures; Off-Season training, competitions and tours; rules, regulations and procedures concerning Player drafts (including but not limited to entry, waiver, supplemental and expansion and contraction drafts); Player lottery system; other provisions in the Roster & Budget Guidelines, 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 Roster & Budget 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 MLSPA 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 MLSPA shall not support or condone any action of any Player that is not in accordance with this Section 6.1, and the MLSPA 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 an 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 MLSPA 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 General Obligations:** 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 Duties, Travel & Immigration:** 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 (e.g., a valid United States passport or visa, travel authorization documents). 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 Reporting to a Team:** 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 All-Star Game team or Homegrown Player All-Star Game 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 MLSPA), 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 8.12, below, shall not apply to media appearances.

**Section 8.5 Media Access Policy:** MLS and the MLSPA shall use best efforts to negotiate reasonable updates to the MLS Media Access Policy regarding the wearing of microphones by Players and Player discipline. This Section is without prejudice to either MLS's or the MLSPA's respective positions as to whether requiring a Player to wear a microphone is a mandatory subject of bargaining.

**Section 8.6 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.

(i) 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 \$450 for the 2020-2026 League Years (\$495 for the 2027 League Year only).

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

(iii) 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 (2) hours after the end of training, a meal must be provided by the Team. Such meal shall be reasonable under the circumstances.

(iv) 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 \$100 for the 2020-2026 League Years (\$110 for the 2027 League Year only) 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 MLSPA's consent for such an appearance, which consent shall not be unreasonably withheld.

(v) 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.

(vi) A Player shall not be required under this CBA to endorse or give a testimonial for any product or service.

(vii) A Player shall not be required under this Section 8.6 to make a promotional appearance on behalf of a commercial sponsor. Appearances on behalf of commercial sponsors are Commercial Appearances under Section 8.7.

(viii) Promotional appearances shall not be scheduled during a Player's day off or a travel day or gameday. 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.

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

**Section 8.7 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 the 2020-2026 League Years (\$1,100 for the 2027 League Year only) for each appearance the Player makes for a national Commercial Affiliate or commercial enterprise, and a minimum appearance fee of \$500 for the 2020-2026 League Years (\$550 for the 2027 League Year only) 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 8.8 Soccer Camps:**

(i) 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.

(ii) 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.

(iii) 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 SPA and/or interfere with such Soccer Camps, he shall not sponsor, promote, conduct, participate in or maintain an ownership interest in any non-MLS soccer camps or Soccer Camps during the Term of this CBA.

(iv) A Player may identify himself as a member of his Team in connection with a Soccer Camp or coaching conducted in accordance with this Section 8.8, provided that the Player received prior written consent from his Team, which may not be unreasonably withheld. For clarity, the Player's Team may withhold approval in its sole discretion over any request by a Player to use an

image of the Player in any official Team uniform or to use any marks and/or logos of either MLS or any Team.

(v) Notwithstanding the above limitations, during the Off-Season, a Player may participate in any capacity in a soccer camp which is not an MLS/Team soccer camp or Soccer Camp (as defined in this Agreement), 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 camps 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.

(vi) A Player may act as a coach for a youth soccer club at any time and place, provided that the Player's 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 8.9 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. Any items autographed under this Section will not be sold by MLS or any Team without an agreement with the signing Player(s) regarding compensation, or a licensing agreement with the MLSPA permitting the sale of such items.

**Section 8.10 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 (100%) 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 8.11 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 for the 2020-2026 League Years (\$247.50 for the 2027 League Year only). 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 gameday 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 gameday roster for the game, post-game autograph sessions may start earlier than thirty (30) minutes after the end of the game.

**Section 8.12 Notice and Payment for Appearances:**

(i) Prior to 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 MLSPA by email at an address to be provided by the MLSPA.

(ii) 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 MLSPA on a bi-weekly basis. The League will share the designated employee's contact information with the MLSPA 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 the Team CMO (or their Team Physician designee), at times designated by the Team and at MLS's expense. Such medical examinations may include, without limitation, a personal health history form recording prior medical injuries and illnesses, an immunization history, allergies, medications and medical/cardiac as well as orthopedic questions, a comprehensive physical examination, cardiac screening, concussion baseline testing, and 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 6 (Player Entrance Physical Examination Form) and Exhibit 7 (Player Exit Physical Examination Form), as may be amended from time to time upon mutual discussion and agreement between MLS and MLSPA. Following a Player's medical examination, including the entrance or exit examination, the Team CMO (or their Team Physician designee) may determine that additional testing and/or consultation is necessary to obtain additional information to guide treatment and management.

(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 an oral summary of the 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, CSA, or any other national team federations for which the player has agreed (or may agree) to play, personnel, but the actual medical record may not be shared. Notwithstanding the above, the written 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 the actual medical records 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) Each Player is required to execute the "Authorization for Release of Medical Information" (copy attached hereto as Exhibit 2 and made part of this CBA) and any other 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.



(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'/therapists' 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'/therapists' 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 shall establish and utilize, during the term of this Agreement, an electronic medical records ("EMR") system, which shall provide a centralized database of Players' medical records. MLS and MLSPA shall consult on a method to provide Players and former players access to the EMR system to access their medical records.

## **Section 9.2 Fitness; Injury Guarantee:**

(i) If MLS's designated physician or a Team physician determines that the Player is not Fit (unless such condition is the direct result of a Soccer-Related Injury) MLS shall have the right to suspend the Player's pay for the period of such disability or other lack of Fitness.

(ii) MLS may conduct an initial medical examination 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). MLS and the MLSPA reserve their respective rights and positions regarding the application of this provision to Players new to the League and who require a visa or work authorization to be employed in the United States or Canada.

(iii) Subject to other provisions of this CBA, if the League or Team's physician determines that a Player is not Fit due to a Soccer-Related Injury, 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<sup>st</sup>, if the Player has a Semi-Guaranteed Contract.

(iv) If a Player with a Semi-Guaranteed Contract who was not Fit due to a Soccer-Related Injury is again found to be Fit, but such finding of Fitness 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 exercise its right to terminate the Player's SPA under Section 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 player's hospital, medical and dental expenses if he is injured during any Team-sanctioned 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 (including whether the Player is, in fact, Fit, and whether such condition is by reason of a Soccer-Related Injury):

(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 their determination by completing the Initial Fitness Determination Form (copy attached hereto as Exhibit 8 and made a part of this CBA). The completed Initial Fitness Determination Form 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 initial determination of Fitness of the League/Team physician, he must obtain a second opinion from a physician of his own choosing 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 their determination by completing the Second Opinion Fitness Determination Form (copy attached hereto as Exhibit 9 and made a part of this CBA), which shall be provided to the Player and the League/Team physician 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 the Player's Team, the two (2) physicians shall consult as expeditiously as possible but 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 Joint Physicians' Consultation Form (copy attached

hereto as Exhibit 10 and made a part of this CBA), which shall be provided to the Player and the League/Team physician 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 the two (2) physicians within the seventy-two (72) hour period in subsection (c) above (the “Independent Physician”). In the event the physician for the Player and the physician for the League/Team cannot agree on the physician to be designated as 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 Independent Physician Determination Form (copy attached hereto as Exhibit 11 and made a part of this CBA), which shall be provided to the Player and the League/Team physician 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 a Soccer-Related Injury. 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 or his Team (depending on who scheduled the examination) 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 (1) 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 designated physician or the Player’s Team 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 by a physician of his choosing 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 Player’s Team is located, MLS and/or the Player’s 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 physician designated by the League or the Player’s Team or medical staff. Should the physician designated by the League or the Player’s Team or medical staff and the second opinion physician disagree as to the appropriate course of treatment, the dispute shall be resolved by an Independent Physician pursuant to Sections 9.3(i)(d), (e) and (f). The Player shall be in breach of his SPA if he

fails promptly to submit to treatment recommended hereunder by physician designated by the League or the Player's Team physician or medical staff 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/therapist or physician of any illness or injury contracted or suffered by him which may impair or otherwise affect, either immediately or over time, his Fitness.

**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 his Team or from a list of surgeons agreed upon by MLS and the MLSPA.

**Section 9.7 Allegiance of Team Health Care Professionals:** The primary professional duty of all individual health care professionals (including, but not limited to, League/Team physicians, athletic trainers/therapists, physical therapists, cardiologists, neuropsychologists, chiropractors, and dentists) providing health care to a Player, shall be to the Player-patient regardless of the fact that the health care professional or their hospital, clinic, or medical group is retained by the Player's Team to diagnose and treat Players. In addition, all individual health care professionals, such as League/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 9.8 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. MLS and the MLSPA shall meet and confer in good faith to develop and incorporate minimum Team medical staff standards consistent with the standards embodied in the 2022 MLS Medical Policies & Procedures Manual.

**Section 9.9 Best Practices:** The League and the MLSPA shall meet and confer in good faith to develop and agree upon 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 9.10 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 MLSPA have agreed to attach as Exhibit 12 (the "Head Injury/Concussion Evaluation and Management Protocol"). The Head Injury/Concussion Evaluation and Management Protocol is administered and applied by MLS.

**Section 9.11 Physiological Monitoring/Testing:**

(i) 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. Physiological monitoring or testing may yield certain Performance Data and Biometric Data. "Performance Data" is data relating to the Player's movement, including distance, velocity, acceleration, deceleration, change of direction and any derivative information. "Biometric Data" is data relating to the

Player's biological data, including but not limited to, heart rate, heart rate variability, skin temperature, blood oxygen, hydration, lactate, glucose or any derivative information.

(ii) The League and Team may share the results of such physiological testing with the Team's medical staff, coaching staff, technical director and other relevant Team, League, USSF, CSA personnel, and personnel of any other national team federations for which the Player has agreed (or may agree) to play. Starting with the 2022 MLS Season, the League shall provide an annual training seminar prior to the start of the Regular Season to educate all coaches and trainers on how to read and analyze the results of such physiological testing. Upon request, the League and Team shall share the results of such physiological testing with the Player.

(iii) Biometric Data shall not be publicly disseminated unless consented to in advance by the MLSPA. Performance Data may be publicly disseminated provided that before doing so, the League conducts a dialogue with the MLSPA in a manner consistent with Article 5 for subjects on which the MLSPA waived its right to bargain.

(iv) The League or Team may require Players to wear any physiological monitoring device during or in connection with training. Players 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 MLSPA, impede an athlete's performance.

(v) Promptly after the Execution Date of this Agreement, the League and the MLSPA shall form a joint advisory committee (the "Joint Advisory Committee"), which shall consist of three (3) representatives appointed by the League and three (3) representatives appointed by the MLSPA. The Joint Advisory Committee shall be responsible for meeting and discussing the manner in which data from physiological monitoring and testing pursuant to this Section is collected, maintained or destroyed, made accessible to players, secured and disseminated. Based on the Joint Advisory Committee's discussions and findings, the Joint Advisory Committee may make recommendations to the League for review and implementation based on a determination of a majority of the Joint Advisory Committee's members. The League shall then decide, in its sole discretion, whether to implement the Joint Advisory Committee's recommendations.

## ARTICLE 10

### COMPENSATION, EXPENSES AND LEAGUE PLAYER EXPENDITURES

**Section 10.1 Player Base Salary Reductions for 2020 League Year Only:** Notwithstanding the terms set forth in this Agreement and in Players' individual SPAs (including the Schedules to the SPAs), for the 2020 League Year only, Player Base Salaries (which shall be defined as a Player's annual base salary as set forth in the Player's SPA, excluding bonuses and other incentive compensation) shall be reduced by an amount equal to seven-and-one-half percent (7.5%) beginning with the May 31, 2020 paycheck through the December 31, 2020 paycheck, provided, however, that if MLS is unable to begin implementing pay reductions for the May 31, 2020 paycheck, MLS will spread out the reductions contemplated herein over the remaining pay periods in 2020 through and including the December 31, 2020 paycheck. Players will have the option individually to delay the beginning of their pay reduction until after the 2020 MLS is Back Tournament occurs (without decreasing the total 2020 amount reduced).

**Section 10.2 Maximum Total Bonuses for 2020 League Year Only:** Notwithstanding the terms set forth in this Agreement and in Players' individual SPAs (including the Schedules to the SPAs), for the 2020 League Year only, MLS shall not pay more than \$5,000,000 of 2020 Total Bonuses in a manner agreed upon by MLS and the MLSPA. 2020 Total Bonuses shall include the following:

- (i) Orlando Tournament Bonus Pool (up to \$1,000,000);
- (ii) Players' individual bonuses set forth in their individual SPAs (including the Schedules to the SPAs);
- (iii) Senior Minimum Player Bonuses;
- (iv) Reserve Roster Player Bonuses;
- (v) Regular Season Game Winner Bonuses;
- (vi) MLS Regular Season Bonuses;
- (vii) Playoff Qualification Bonuses;
- (viii) MLS Playoffs Bonuses;
- (ix) CCL Bonuses;
- (x) Exhibition Games;
- (xi) Homegrown All-Star Game Bonuses;
- (xii) Any other prize money;
- (xiii) Any other bonus provisions set forth in the CBA or individual SPAs; and
- (xiv) Appearance fees (Promotional Appearances, Commercial Appearances, Bulk Autograph Signings, as set forth in Sections 8.6, 8.7 and 8.9, respectively).

**Section 10.3 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:

2020: \$81,375  
2021: \$81,375  
2022: \$84,000  
2023: \$85,444  
2024: \$89,716  
2025: \$104,000  
2026: \$113,400  
2027: \$125,875

**Section 10.4 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:

2020: \$63,547  
2021: \$63,547  
2022: \$65,500  
2023: \$67,360  
2024: \$71,401  
2025: \$80,622  
2026: \$88,025  
2027: \$97,700

In the event a Reserve Player’s SPA is extended beyond December 31<sup>st</sup> 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 Section 2(ppp).

**Section 10.5 Senior Minimum Player Bonuses:** In addition to any individually-negotiated bonuses in a Player’s SPA, any Player on an MLS roster earning a base salary from the Senior Minimum Salary up to \$35,000 above the Senior Minimum Salary will receive the highest achievable of the following bonuses for being included on the gameday roster, playing, or starting in an MLS game (Regular Season and MLS playoffs):

2020-2026:	Game Day Roster Bonus:	\$500
	Play Bonus:	\$750
	Start Bonus:	\$1,000

2027:	Game Day Roster Bonus:	\$550
	Play Bonus:	\$825
	Start Bonus:	\$1,100

These Senior Minimum Player Bonuses will only be achievable until a Player’s base salary plus these bonuses are equal to \$35,000 above the Senior Minimum Salary for that year in 2020-2026, or \$38,500 above the Senior Minimum Salary for that year in 2027. The aggregate amount of all Senior Minimum Player Bonuses paid by a Team in a season will be counted as a charge against such Team’s Salary Budget for the following season (irrespective of whether the Player who earned such bonuses remains on the Team’s roster the following season), but will not be reflected in the Salary Budget Charge for any individual Player who received any of the Senior Minimum Player Bonuses

**Section 10.6 Reserve Minimum Player Bonuses:** In addition to any individually-negotiated bonuses in a Player’s SPA, a Reserve Player earning a base salary below the Senior Minimum Salary will receive the highest achievable of the following bonuses for being included on the gameday roster, playing or starting in an MLS game (Regular Season and MLS playoffs), up to but not exceeding the Senior Minimum Salary:

2020-2026:	Game Day Roster Bonus:	\$250
	Play Bonus:	\$750
	Start Bonus:	\$1,500
2027:	Game Day Roster Bonus:	\$275
	Play Bonus:	\$825
	Start Bonus:	\$1,650

Once the Reserve Player’s gameday roster, play, and/or start bonuses, as set forth above, have brought a Reserve Player’s salary up to the Senior Minimum Salary for that year, the Player will be eligible for the Senior Minimum Player Bonuses as set forth in Section 10.5 above, in addition to any individually-negotiated bonuses in his SPA.

**Section 10.7 MLS Bonus Pools:** The following Team bonuses will be paid into the Team Bonus Pool for the applicable Team:

- (i) MLS Playoffs:
  - (a) 2020-2026:
    - 1. MLS Cup Runner-Up: \$100,000
    - 2. MLS Cup Champion: \$300,000
  - (b) 2027:
    - 1. MLS Cup Runner-Up: \$110,000
    - 2. MLS Cup Champion: \$330,000
  - (c) 2022-2026:



1. Win Round 1: \$30,000
2. Win Round 2: \$60,000
3. Win Round 3: \$50,000

(d) 2027:

1. Win Round 1: \$33,000
2. Win Round 2: \$66,000
3. Win Round 3: \$55,000

(ii) MLS Regular Season:

(a) Supporters' Shield Winner:

1. 2020-2021: \$150,000 (in lieu of, not addition to, the Conference Champion bonus or Qualify for Playoffs bonus)
2. 2022-2026: \$220,000 (in lieu of, not addition to, the Conference Champion bonus or Qualify for Playoffs bonus)
3. 2027: \$242,000 (in lieu of, not addition to, the Conference Champion bonus or Qualify for Playoffs bonus)

(b) Regular Season Conference Champion:

1. 2020-2021: \$40,000 (in lieu of, not addition to, Qualify for Playoffs bonus)
2. 2022-2026: \$110,000 (in lieu of, not addition to, Qualify for Playoffs bonus)
3. 2027: \$121,000 (in lieu of, not addition to, Qualify for Playoffs bonus)

(c) Qualify for Playoffs: (non-Conference Champion and non-Supporters Shield Winner)

1. 2020-2021:
  - Second Place through Seventh Place in Conference: \$30,000
2. 2022-2026:
  - Second Place in Conference: \$70,000
  - Third Place in Conference: \$60,000
  - Fourth Place in Conference: \$50,000
  - Fifth Place in Conference: \$40,000
  - Sixth Place in Conference: \$30,000
  - Seventh Place in Conference: \$20,000
3. 2027:

- Second Place in Conference: \$77,000
- Third Place in Conference: \$66,000
- Fourth Place in Conference: \$55,000
- Fifth Place in Conference: \$44,000
- Sixth Place in Conference: \$33,000
- Seventh Place in Conference: \$22,000

(d) Regular Season Game Winner:

1. 2020: \$14,000
2. 2021: \$14,000
3. 2022: \$14,000
4. 2023: \$18,000
5. 2024: \$18,000
6. 2025: \$20,000
7. 2026: \$20,000
8. 2027: \$22,000

The Regular Season Game Winner bonuses will be distributed in accordance with the following, provided that each Team will retain the discretion to reallocate up to ten percent (10%) of the total bonus to other Players:

Start:	1 Share (11 Total)
Play:	.75 Share (0 – 3.75 Shares Total, depending upon the number of substitutions)
Gameday Roster:	.50 Share (1 – 3.5 Shares Total, depending upon the number of substitutions)

For example, in a situation where a Team has twenty (20) Players on its gameday roster, and eleven (11) Players start, five (5) Players are substituted off the bench, and the remaining four (4) Players are unused substitutes, the total number of shares for that particular game would be 16.75, broken down as follows: (i) each of the eleven (11) starting Players would receive one full share; (ii) each of the five (5) substituted Players would receive .75 of a full share (3.75 shares total); and (iii) each of the four (4) unused substitute Players would receive .5 of a full share (two (2) shares total).

As another example, in a situation where a Team has nineteen (19) Players on its gameday roster, and eleven (11) Players start, three (3) Players are substituted off the bench, and the remaining five (5) Players are unused substitutes, the total number of shares for that particular game would be 16.25, broken down as follows: (i) each of the eleven (11) starting Players would

receive one (1) full share; (ii) each of the three (3) substituted Players would receive .75 of a full share (2.25 shares total); and (iii) each of the five (5) unused substitute Players would receive .5 of a full share (2.5 shares total).

The Regular Season Game Winner bonuses will be distributed, at the MLSPA's direction, to a particular Team on a monthly basis. Otherwise, the Team Bonus Pool will be distributed, at the MLSPA's direction, at the end of the League Year.

Notwithstanding the above, in the event of format changes, MLS and the MLSPA 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 10.8 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 ("USOC"): USSF will pay these bonuses or such other sums, if any, that USSF may make available. If USSF does not pay such bonuses, MLS will have no obligation to do so.

- (a) USOC Champion: \$300,000 (\$330,000 in 2027)
- (b) USOC Runner-Up: \$100,000 (\$110,000 in 2027)

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

- (a) Canadian Championship Champion: \$75,000 (\$82,500 in 2027)

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

2020-2026:

- (a) Qualify for CCL: \$50,000 (payable to the Team in the year in which such Team qualifies)
- (b) Team Plays in Round of 16: \$75,000
- (c) Team Plays Quarter Final: \$60,000
- (d) Team Plays Semi-Final: \$60,000
- (e) Team Plays Final: \$60,000
- (f) Team Wins Final: \$75,000

2027:

- (a) Qualify for CCL: \$55,000 (payable to the Team in the year in which such Team qualifies)
- (b) Team Plays in Round of 16: \$82,500
- (c) Team Plays Quarter Final: \$66,000
- (d) Team Plays Semi-Final: \$66,000
- (e) Team Plays Final: \$66,000

(f) Team Wins Final: \$82,500

Notwithstanding the above, in the event the CCL format changes, MLS and the MLSPA shall meet and confer concerning amendments to the above bonus schedule.

(iii) US-Mexico Champions Cup (Campeones Cup) (if played): MLS will pay the following bonuses which are not aggregate, unless prize money is awarded, in which case Section 10.8(v) shall apply if it would result in a greater bonus:

(a) Campeones Cup:

1. Team plays in Campeones Cup: Greater of \$240,000 (\$264,000 in 2027) or the amount received by the players on the Mexican team.
2. Team wins Campeones Cup: Greater of \$100,000 (\$110,000 in 2027) or the amount received by the players on the Mexican team.

(iv) 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 MLSPA. The current form of such tournament is Leagues Cup, the bonuses for which shall be as follows:

(a) Leagues Cup:

1. Team plays in Leagues Cup: Play bonus for each game equal to the greater of \$100,000 (\$110,000 in 2027) (\$125,000 for the final game) (\$137,500 in 2027)) or the amount received by the players on the Mexican team.
2. Team wins any Leagues Cup game: Greater of \$50,000 (\$55,000 in 2027) or the amount received by the players on the Mexican team.

(v) 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., USOC, Canadian Championship, CCL, Campeones Cup, Leagues Cup), Players competing in that tournament will receive the following:

(a) 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 \$1,000,000 per tournament.

**Section 10.9 Exhibition Games Bonus Pools:** Exhibition Games shall be eligible for the Exhibition Game Bonus Pools pursuant to the parameters forth in this Section 10.9.

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 into the applicable Team's Bonus Pool:

2020-2026: \$75,000  
2027: \$82,500

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:

- (a) England
- (b) France
- (c) Germany
- (d) Italy
- (e) Spain

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

- (a) AC Milan
- (b) Arsenal
- (c) Bayern Munich
- (d) Chelsea
- (e) Chivas
- (f) Club America
- (g) FC Barcelona
- (h) Liverpool
- (i) Manchester City
- (j) Manchester United
- (k) Real Madrid

For any Tier 1 Exhibition Game that is a 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, Team shall pay for charter or business class travel if the flying time (one-way) to participate in the game is seven (7) hours or greater.

(ii) Tier 2 Exhibition Games: For Tier 2 Exhibition Games, MLS shall pay into 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:

2020-2026:  
(a) 1<sup>st</sup> Tier 2 Exhibition Game: No additional compensation  
(b) 2<sup>nd</sup> or greater Tier 2 Exhibition Game: \$37,500

2027:  
(a) 1<sup>st</sup> Tier 2 Exhibition Game: No additional compensation  
(b) 2<sup>nd</sup> or greater Tier 2 Exhibition Game: \$41,250

(iii) 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 \$1,000,000 per Exhibition Game, unless the amount set forth above is greater.

**Section 10.10 Team Salary Budget:**

(i) For each year covered by this Agreement, the per-Team budget framework consists of the following primary elements:

- (a) Mandatory Spend (which shall consist of the per-Team Salary Budget and per-Team GAM as set forth below); and
- (b) Discretionary Spend (which shall consist of Discretionary TAM as set forth below).

(ii) For each year covered by this Agreement, and subject to Section 10.11 (Incremental Media Revenues), MLS agrees that the per-Team Salary Budget shall be:

2020: \$4,900,000  
2021: \$4,900,000  
2022: \$4,900,000  
2023: \$5,210,000  
2024: \$5,470,000  
2025: \$5,950,000  
2026: \$6,425,000  
2027: \$7,068,000

(iii) For each year covered by this Agreement, and subject to Section 10.11 (Incremental Media Revenues), MLS agrees that the per-Team GAM amount shall be:

2020: \$1,525,000  
2021: \$1,525,000  
2022: \$1,625,000  
2023: \$1,900,000  
2024: \$2,585,000  
2025: \$2,930,000  
2026: \$3,280,000  
2027: \$3,921,000

(iv) For each year covered by this Agreement, MLS agrees that the per-Team Discretionary TAM amount shall be:

2020: \$2,800,000  
2021: \$2,800,000  
2022: \$2,800,000  
2023: \$2,720,000  
2024: \$2,400,000  
2025: \$2,225,000  
2026: \$2,125,000  
2027: \$2,025,000

(v) Each Team is permitted to spend up to an additional \$50,000 on an annual basis for Player-related benefits to assist: (i) Senior Minimum Salary Players; (ii) Reserve Minimum Salary Players; and (iii) Players during the first year of transition into a new MLS Team market (e.g., Players new to the League or traded Players) who are earning more than the Senior Minimum Salary,

including, but not limited to, housing, auto, cell phone and other areas (on a case-by-case basis). The “first year” in the foregoing sentence runs through December 31<sup>st</sup> of the year acquired/traded if the Player is acquired/traded midseason.

(vi) 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:

- (a) taking the Player’s annualized base salary, multiplying it by 1.04;
- (b) adding to it any signing bonus paid or payable to the Player on a cash flow basis;
- (c) 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 MLSPA;
- (d) adding to it any housing and car allowance in the Player’s contract;
- (e) adding to it any loyalty bonus;
- (f) adding to it any additional compensation (including any roster bonus);
- (g) adding any marketing or royalty bonus (including footwear/gloves);
- (h) adding to it acquisition cost for loan/transfer;
- (i) adding to it cost of processing a visa or green card;
- (j) adding to it any fee payable to an intermediary, agent or representative; and
- (k) adding to it any other costs involved as reasonably determined by MLS after consulting with the MLSPA.

(vii) The Maximum Salary Budget Charge for a Player shall be no more than twelve and one-half percent (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 twelve and one-half percent (12.5%) of the Team Salary Budget and shall be no more than the following for each year of this Agreement:

2020:	\$612,500
2021:	\$612,500
2022:	\$612,500
2023:	\$651,250*
2024:	\$683,750*
2025:	\$743,750*

2026: \$803,125\*  
 2027: \$883,438\*

\*The Maximum Salary Budget Charge may increase in the event the Team Salary Budget increases in accordance with Section 10.11 (Incremental Media Revenues), provided that the Maximum Salary Budget Charge will not exceed twelve and one-half percent (12.5%) of the Team Salary Budget.

(viii) The full season Designated Player Charge to a Team’s Salary Budget shall be set at not more than twelve and one-half percent (12.5%) of the Team Salary Budget, provided that such twelve and one-half percent (12.5%) shall set the actual Salary Budget Charge in the initial year of the Player’s SPA and such actual amount shall remain fixed during the initial term of the Player’s SPA, not including options. MLS may reduce the Designated Player Salary Budget Charge percentage in its sole discretion.

(ix) The mid-season Designated Player Charge to a Team Salary Budget shall be set at not more than six and one-quarter percent (6.25%) of the Team Salary Budget, provided that such percentage shall be doubled for the following year and then remain fixed during the initial term of the Player’s SPA, not including options. MLS may reduce the mid-season Designated Player Salary Budget Charge percentage in its sole discretion.

(x) The Young Designated Player Charge to a Team Salary Budget shall be as follows:

2020-2025	Age 21-23:	\$200,000
	Age 20 and below:	\$150,000
2026-2027	Age 21-23:	\$200,000; MLS may, in its sole discretion, increase the charge to five percent (5%) of a Team Salary Budget.
	Age 20 and below:	\$150,000; MLS may, in its sole discretion, increase the charge to four percent (4%) of a Team Salary Budget.

MLS may reduce the Young Designated Player Salary Budget Charge percentage in its sole discretion.

(xi) There shall continue to be up to three (3) Designated Players for the term of this Agreement pursuant to Section 10.24(iv), provided that beginning in 2024, MLS may, in its sole discretion, limit the Salary Budget Charge of the third (3<sup>rd</sup>) Designated Player to the Maximum TAM Amount, provided that such limitation shall not apply to a Young Designated Player occupying the third (3<sup>rd</sup>) Designated Player slot.

(xii) The Youth Player Slot Charge to a Team Salary Budget shall be as follows:

2021-2025	Age 21-22:	\$200,000
	Age 20 and below:	\$150,000



2026-2027	Age 21-22:	\$200,000; MLS may, in its sole discretion, increase the charge to five percent (5%) of a Team Salary Budget.
	Age 20 and below:	\$150,000; MLS may, in its sole discretion, increase the charge to four percent (4%) of a Team Salary Budget.

MLS may reduce the Youth Player Slot Salary Budget Charge percentage in its sole discretion.

(xiii) The MLSPA will have the right to inspect, for confirmation purposes and on a confidential basis (subject to Section 10.10(xix)), each Player's Salary Budget Charge.

(xiv) 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.

(xv) Salary Budget Relief for Season-Ending Injury Replacement Player: Teams may receive Salary Budget Relief for one Season-Ending Injury Replacement Player per League Season; provided, however, that doing so conforms to the parameters outlined in the 2022 Roster & Budget Guidelines.

(xvi) TAM and GAM Guidelines:

(a) Teams may utilize available TAM and GAM as provided by this Section 10.10 to sign any Free Agent Player without MLS interference, provided that such Free Agent Player is signed as a non-Designated Player; and further provided that the only limitation on TAM for Free Agent Players is that the Player must earn more than the Maximum Salary Budget Charge and equal to or less than the Maximum TAM Amount as a Free Agent. MLS retains its discretion to determine the application of the Roster & Budget Guidelines (including Designated Players, Youth Player Slots, TAM and GAM guidelines) to individual Player SPAs (including roster category designations), and to determine whether such an SPA complies with those guidelines; provided that the MLSPA has a right to arbitrate such a determination by MLS by filing a Grievance pursuant to Article 21 of this Agreement, which shall be assessed pursuant to an arbitrary and capricious standard of review.

(b) There are no limits on the number of Players for whom a Team can use TAM or GAM consistent with the number of Players that a Team may have on its roster.

(c) Teams may use TAM to buy down or lower the Salary Budget Charge of:

1. A Player whose unadjusted Salary Budget Charge (prior to application of TAM) is between the Maximum Salary Budget Charge and the Maximum TAM Amount (as set forth in the Roster & Budget Guidelines); and

2. Homegrown Players signed to their first MLS SPA only; provided the Team does not spend more than \$200,000 per year in aggregate on such Homegrown Players.

(d) Teams may buy down a Player's Salary Budget Charge using GAM or TAM to \$150,000 in 2020. MLS may, in its discretion, increase such amount by converting the \$150,000 to 3.06% of the applicable current salary budget, or lower such percentage.

(e) Teams may not commingle GAM with TAM with respect to the same Player (i.e., GAM and TAM cannot be applied to the same Player's Salary Budget Charge in the same League Season).

(f) The minimum GAM allocation amount that a Team may apply to a Player is \$75,000.

(g) TAM and GAM allocations will be applied to a Player's Salary Budget Charge on a dollar-for-dollar basis regardless of the commencement date of a Player's SPA to determine the Player's annualized Salary Budget Charge.

(h) Teams may apply additional TAM or GAM to current Players until the Roster Freeze Date, assuming that either the existing Player has been re-signed or a new Player has been signed to the Senior Roster.

(i) Teams may not reduce existing TAM or GAM that has already been applied to a Player.

(xvii) Salary Budget Floor: MLS agrees that each year the League will spend on a League-wide basis a minimum of ninety-five percent (95%) of the combined Team Salary Budgets set forth in Section 10.10(ii) above. For purposes of calculating the minimum spend, the Team Salary Budgets shall be measured in accordance with Section 10.10(vi) at the time of the Roster Freeze Date and will also include any buyouts from the same League Year other than buyouts under Section 10.27. 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.

(xviii) Salary Budget Reporting: MLS shall provide the MLSPA with a salary budget report two (2) weeks following: (i) the Roster Compliance date; (ii) the close of the primary transfer window; and (iii) the Roster Freeze date. MLS shall also provide a salary budget report upon the reasonable request of the MLSPA.

(xix) Sharing of Salary Budget Information: During the 2022 season, the MLSPA may share individual Player and aggregated Team Salary Budget numbers with Players and agents; provided, however, that no breakdown of the components of an individual Team or Player salary budget number shall be shared, and provided that the MLSPA will not publicly release such salary budget numbers. At the end of the 2022 season, MLS, after notice to and consultation with the MLSPA, may in its sole discretion revoke this provision.

(xx) Additional Spend: The amount and any restrictions placed on any money added to the Player compensation spend prior to January 1, 2023 shall be agreed upon by MLS and the MLSPA. After that date, MLS may add to the Player compensation spend (either mandatory or discretionary) after consultation with the MLSPA, provided that, in any year in which MLS adds to discretionary Player compensation spend, such additional spend will first be added on a proportional basis to the salary budget, GAM, and Discretionary TAM to recoup the reductions in

salary budget, GAM, and Discretionary TAM made in that year pursuant to the parties' February 5, 2021 term sheet agreement. Recoupment will only be applicable in the League Year in which MLS adds to the discretionary Player compensation spend. Recoupment will not be required in the 2027 League Year as there are no reductions in salary budget, GAM, and Discretionary TAM in that year under the parties' February 5, 2021 term sheet agreement. After any recoupments required under this paragraph are satisfied (or if no recoupment is required), for any additional spend, at least forty percent (40%) of such additional spend is added to unrestricted categories (proportionately to salary budget and GAM). The addition of new Designated Player slots will not be considered to be additional spend for purposes of this provision.

(xxi) MLS will have discretion to convert, on a dollar-for-dollar basis:

(a) Discretionary TAM to Mandatory TAM, GAM or Salary Budget; and

(b) GAM to Salary Budget, provided that the GAM amount in the relevant League Season is not less than ten percent (10%) of the total of the Salary Budget plus the GAM amount for that League Season.

#### **Section 10.11 Incremental Media Revenues:**

(i) Principles for Potential Increase to Salary Budget and GAM: For each of the 2023, 2024, 2025, 2026 and 2027 League Years, MLS shall increase, on a relative basis, the Salary Budget and GAM expenditures (in the aggregate) by twelve and one-half percent (12.5%) in 2023 and 2024, and twenty-five percent (25%) in 2025, 2026, and 2027, respectively, of the amount of Incremental Media Revenues (as defined below) (if any) for such League Year (such amount, the "MLSPA IMR Share"), calculated and distributed in accordance with the principles set forth in this Section 10.11.

(ii) IMR Calculation: With respect to each of the 2023, 2024, 2025, 2026, and 2027 League Years, "Incremental Media Revenues" means the difference between (x) Live Game Media Net Revenues (as defined below) for such applicable League Year and (y) the sum of: (i) Live Game Media Net Revenues for the 2022 League Year; and (ii) one-hundred million dollars (\$100,000,000.00). If MLS or SUM re-negotiates all of its current United States Live Game Media Rights Contracts (i.e., the current live media contracts with ESPN, FOX and Univision) such that the commencement of any new Live Game Media Rights contracts commence prior to the 2023 League Year (and MLS or SUM receives additional consideration for such early commencement) then all relevant provisions set forth herein shall be adjusted to account for such early commencement.

(iii) IMR Reporting and True-Up:

(a) By no later than January 31, 2023 (with respect to the 2023 League Year), January 31, 2024 (with respect to the 2024 League Year), January 31, 2025 (with respect to the 2025 League Year), January 31, 2026 (with respect to the 2026 League Year), and January 31, 2027 (with respect to the 2027 League Year), MLS shall deliver to the MLSPA a certificate (the "Estimated Certificate") setting forth, with respect to such League Year, the estimated (i) Live Game Media Net Revenues, (ii) Incremental Media Revenues (if any) and (iii) the MLSPA IMR Share (if any), in each of clauses (i)-(iii), inclusive of categories of information reasonably sufficient to enable the MLSPA to determine how such calculation was made.

(b) If, with respect to such League Year, the Estimated Certificate includes an MLSPA IMR Share greater than \$0, then, with respect to such League Year, the Salary Budget and GAM expenditures as set forth in this Agreement (in the aggregate) shall increase by ninety-five percent (95%) of such MLSPA IMR Share.

(c) By no later than May 15, 2024 (with respect to the 2023 League Year), May 15, 2025 (with respect to the 2024 League Year), May 15, 2025 (with respect to the 2025 League Year), May 15, 2026 (with respect to the 2026 League Year), and May 15, 2027 (with respect to the 2027 League Year), MLS shall deliver to the MLSPA a certificate (the “Final Certificate”) setting forth, with respect to such completed League Year: (i) the actual Live Game Media Net Revenues; (ii) the actual Incremental Media Revenues (if any); (iii) the actual MLSPA IMR Share (if any); and (iv) any changes (if any) to such amounts from the corresponding amounts set forth in the Estimated Certificate, in each of clauses (i)-(iv), inclusive of categories of information reasonably sufficient to enable the MLSPA to determine how such calculation was made. The Salary Budget and GAM expenditures as set forth in this Agreement (in the aggregate) in the immediately succeeding League Year (e.g., the 2024 League Year for the Final Certificate delivered with respect to the 2023 League Year) shall be adjusted (positively or negatively) to “true-up” the amount of the MLSPA IMR Share based on any changes in such amount from the Estimated Certificate (and, correspondingly, the actual amount increased in accordance with Section (iii)(b) above) to the Final Certificate.

(iv) Live Game Media Net Revenues:

(a) “Live Game Media Net Revenues” means the aggregate amount of all cash revenues received by MLS or SUM with respect to such League Year derived from Live Game Media Rights minus Qualified Expenses (as defined below).

(b) “Live Game Media Rights” means any rights to transmit, distribute or exhibit live the audio-visual signals of the performance of a material portion (i.e., more than highlights, clips or look-ins) of any MLS game, match or exhibition or any other game, match or exhibition in which a Team participates and, in each case, for which MLS or SUM controls the applicable live audio-visual media rights, and any shoulder programming, clip, delayed transmission or replay thereof if granted as part and parcel of such grant of live transmission, distribution or exhibition rights consistent with the current practice, in each case, on a national or international basis (i.e., not limited to a Team Operator’s home territory) by any means, process, medium, distribution, platform, method or device, whether now known or hereafter developed. For clarity, Live Game Media Rights shall not include any media rights: (i) for which SUM acts as a third-party agent (or similar capacity) for any event, match, competition or property even if a MLS club ultimately participates in such competition (e.g., CONCACAF Champions League); or (ii) relating to Leagues Cup, Campeones Cup or USOC. Given the changing media landscape and consumer behavior, if SUM or MLS is generating a significant amount of net revenues in the 2023 or 2024 League Year from non-material portions (e.g., highlights, clips or look-ins) of live audio-visual signals of the performance of any MLS game, match or exhibition or any other game, match or exhibition in which a Team participates and, in each case, for which MLS or SUM controls the applicable live audio-visual media rights, which such rights are currently excluded from Live Game Media Rights, then MLS and the MLSPA shall meet and confer upon such issue and determine whether any amendments to such definition are mutually agreeable.

(v) Qualified Expenses: “Qualified Expenses” means any cost or expense incurred by MLS, SUM or any Team Operator (including paid to any third party) related to producing, selling, recording, transmitting, exhibiting or otherwise exploiting Live Game Media Rights, including, without limitation, any applicable production costs, and sales and/or agency commissions. Qualified Expenses shall expressly include any costs, expenses or other amounts incurred by MLS, SUM or any Team Operator with respect to: (i) the production or transmission of any Live Game Media Rights, including, without limitation, the cost related to any potential MLS-centralized in-house production of such games; and (ii) any reasonable improvements to any MLS stadium required by the distribution partner in order to produce Live Game Media Rights (e.g., installation of broadcast-quality cameras, fiber or network enhancements to any MLS stadium), which will be amortized over the term of the agreement with the distribution partner.

(vi) Allocation: To the extent any agreement or arrangement for Live Game Media Rights: (i) provides such third party licensee with the right to exploit rights or otherwise receive benefits unrelated or not attributable to MLS or Live Game Media Rights (e.g., USSF, FMF, CONCACAF, Leagues Cup, Campeones Cup, USOC); and (ii) does not specifically allocate payment or other consideration to be paid for such Live Game Media Rights, MLS shall allocate any such unallocated payments and consideration fairly and equitably between the applicable Live Game Media Rights and such other right(s) or benefit(s).

(vii) No Double Counting: No revenue may be included in Live Game Media Net Revenues more than once.

(viii) Audit: MLS shall keep accurate books and records at its principal place of business covering all transactions relating to Live Game Media Net Revenues. The MLSPA and its authorized representatives shall have the right, at its sole cost and expense, during business hours for a reasonable period of time, on reasonable prior written notice (but no more than once with respect to each of the 2022, 2023, 2024, 2025, 2026 and 2027 League Years), to examine and audit such books of account and records with respect to the Live Game Media Net Revenue for the 2022, 2023, 2024, 2025, 2026 and 2027 League Years and make copies and extracts of the pertinent portions of such books and records. Any information, records or materials reviewed during any such audit, and any copies and extracts thereof, will be considered strictly confidential business information not to be shared with others (except for officers, employees and outside advisors of the MLSPA).

**Section 10.12 Ability to Qualify for Bonuses**: MLS will not attempt to influence or dictate Team decisions concerning playing time or All-Star Player 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 Player 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 Player 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 Player 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 10.13 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 Internal Revenue Service (“I.R.S.”) limit. A Canadian plan will be structured to match the contribution formula in subparagraph (ii) below 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 I.R.S. limits) to the 401(k) account of each Player who enrolls, based upon the base salary paid to each Player in each pay period:

2020: 4.00% of the Player’s base salary

2021: 4.00% of the Player’s base salary

2022: 4.25% of the Player’s base salary

2023: 4.25% of the Player’s base salary

2024: 4.25% of the Player’s base salary

2025: 4.25% of the Player’s base salary

2026: 4.25% of the Player’s base salary

2027: 4.25% of the Player’s base salary

The 2020 401(k) rate will be effective as of March 1, 2020.

(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 10.14 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 three (3) days or less, the total trip per diem shall be paid in a lump sum at the time of departure. If longer than three (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) Per Diem Rates:

2020:	\$100.00 (\$23 for breakfast; \$33 for lunch; \$44 for dinner)
2021:	\$100.00 (\$23 for breakfast; \$33 for lunch; \$44 for dinner)
2022:	\$100.00 (\$23 for breakfast; \$33 for lunch; \$44 for dinner)
2023:	\$100.00 (\$23 for breakfast; \$33 for lunch; \$44 for dinner)
2024:	\$100.00 (\$23 for breakfast; \$33 for lunch; \$44 for dinner)
2025:	\$105.00 (\$24 for breakfast; \$35 for lunch; \$46 for dinner)
2026:	\$105.00 (\$24 for breakfast; \$35 for lunch; \$46 for dinner)
2027:	\$115.50 (\$26.40 for breakfast; \$38.50 for lunch; \$50.60 for dinner)

In addition to the above amounts, Players will receive incidental expenses on an MLS road trip according to the following schedule:

2020:	\$30.00
2021:	\$30.00
2022:	\$30.00
2023:	\$35.00
2024:	\$40.00
2025:	\$45.00
2026:	\$45.00
2027:	\$49.50

(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 10.15 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 forty-five (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 fifteen (15) miles to training then that impacted Player will be reimbursed for reasonable travel costs in excess of the prior total commuting distance plus fifteen (15) miles. For example, if a Player's commuting distance was ten (10) miles and the training facility is relocated such that the Player's commuting distance is now thirty (30) miles, the Player would be reimbursed for ten (10) additional miles of travel expense (five (5) miles each way).

**Section 10.16 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: (i) be reimbursed for up to \$10,000 for the 2020-2026 League Years (\$11,000 for the 2027 League Year only) in reasonable and necessary, documented relocation expenses; or (ii) receive a cash stipend payment of \$10,000 for the 2020-2026 League Years (\$11,000 for the 2027 League Year only);

(b) Housing expenses and per diem for up to fourteen (14) days, provided that for Players who first arrive during Pre-Season, the housing expenses and per diem period shall begin to run from the date the Player returns to his home market at the end of Pre-Season;

(c) A rental car for up to fourteen (14) 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) Affiliate players who sign an MLS SPA during their first year as a professional soccer player shall be entitled to receive moving expenses as a first-time professional Player as set forth in this Section 10.16 (excluding hotel and rental car expenses) for an actual move during that year.



(f) Homegrown Players shall have until their nineteenth (19<sup>th</sup>) birthday to elect to receive moving expenses as a first-time professional Player as set forth in this Section 10.16 (excluding hotel and rental car expenses) for an actual move, provided that at the time the Homegrown Player elects to receive moving expenses, such Player remains under contract with MLS and has not already received the moving stipend.

(g) For purposes of this Section, the hometown of Homegrown Players who are in college shall be considered to be the location of such college.

(h) For purposes of this paragraph, contracts entered into by a Homegrown 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 \$10,000 (up to \$11,000 for the 2027 League Year only) in reasonable and necessary, documented relocation expenses;

(b) Housing expenses and per diem for up to twenty-one (21) days for newly signed international Players who have not yet received their social security numbers, or up to fourteen (14) days for all other newly signed Players. For all such newly-signed Players who first arrive during Pre-Season, the housing expenses and per diem period shall begin to run from the date the Player returns to his home market at the end of Pre-Season;

(c) A rental car for up to fourteen (14) 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 (including Free Agents who signed with 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 for the 2020-2026 League Years (\$14,300 for the 2027 League Year only);

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

(d) A rental car for up to fourteen (14) days (if the Player does not have a driver's license, reasonable transportation expenses will be reimbursed);

(e) Two (2) round-trip, coach class plane tickets for the Player back to the prior city and one (1) 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 \$5,000 for the 2020-2026 League Years (\$5,500 for the 2027 League Year only) (as set forth in Section 15.1).

For purposes of this Paragraph (iii), all reimbursement for actual moving expenses shall be grossed up by thirty-three percent (33%).

(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 hometown;

(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 for the 2020-2026 League Years, \$5,500 for the 2027 League Year only; and

(c) One-way coach airline tickets for the player and his Immediate Family to his hometown, or if the player and his Immediate Family choose to travel by automobile, reimbursement 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: (i) 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 (ii) 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) Commuting Distance: 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 hometown 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) Moving Expenses: Players entitled to reimbursement for actual moving expenses may elect to have their Team pay such expenses directly to the moving vendor, provided

such expenses are approved in writing by the Team in advance and further provided that such payment complies with all relevant tax requirements.

**Section 10.17 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; or (iii) is a Homegrown Player, shall receive per diem and housing, unless such Player lives within reasonable commuting distance from the applicable training site.

**Section 10.18 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 I.R.S. 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 10.16 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 MLSPA on a bi-weekly basis. The League will share the designated employee's contact information with the MLSPA and Players and such employee will be available to assist the Players.

**Section 10.19 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 10.20 Direct Deposit:** Players may elect to have their paychecks directly deposited at any financial institution that accepts direct deposit. For Players in the United States, direct deposit at a United States bank, and for Players in Canada, direct deposit at a United States or Canadian bank.

**Section 10.21 Generation adidas / Homegrown Player Spend:** MLS will maintain the 2019 Generation adidas Player and Homegrown Player average spend per Team during the term of the CBA, provided that MLS or a Team may spend such amounts on Homegrown Players, Generation adidas Players or SuperDraft Players (including any new program that covers substantially equivalent categories of players). MLS may spend up to ten percent (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. These amounts shall not be applied against a Team's Salary Budget.

**Section 10.22 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 (2) 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 10.23 Expansion Allocations:**

(i) 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.

(ii) 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 10.24 Additional Allocations:**

(i) Additional Allocation: MLS shall retain the discretion to award additional allocations and/or to increase allocation amounts provided that it consults with the MLSPA prior to doing so and conforms with provisions on additional spend pursuant to Section 10.10(xx). MLS is not required to consult with the MLSPA on allocations granted to Teams as a result of recognized transfer or loan revenues.

(ii) 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, USOC, 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.

(iii) 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.

(iv) Third Designated Player: A Team that has a third (3<sup>rd</sup>) Designated Player shall make an annual payment of \$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 (3<sup>rd</sup>) Designated Player payments shall be split among Teams with two or fewer Designated Players as allocation pursuant to the Roster & Budget Guidelines. The League may reduce or eliminate such third (3<sup>rd</sup>) 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 Roster & Budget 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 10.25 Allocation Notification:** MLS shall notify the MLSPA within five (5) business days of awarding an allocation to any Team, and shall, upon request provide the MLSPA with a copy of the amount of allocation used/outstanding for each Team. The MLSPA will have the right to inspect the allocations, for confirmation purposes and on a confidential basis.

**Section 10.26 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 Roster & Budget 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 Roster & Budget Guidelines on allocation use.

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

The entirety of this Section 10.26 is subject to the terms of this Agreement.

**Section 10.27 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 MLSPA with forty-eight (48) hours' notice prior to entering into any buyout with a Player in which he gives up any guaranteed money.

**Section 10.28 Player Onboarding:**

(i) No Player may train until all payroll and benefit documents are uploaded, unless prior notice of any missing documents has been provided to the MLSPA by MLS or the Team.

(ii) Any Player signed to an SPA with an initial start date fourteen (14) or more days prior to a pay date must receive either a paycheck or the payment equivalent (for Players for whom immigration-related documents are missing) on such pay date unless prohibited by applicable law. Any Player signed less than fourteen (14) days prior to a pay date must receive either a paycheck or the payment equivalent (for Players for whom immigration-related documents are missing) by the following pay date unless prohibited by applicable law.

(iii) MLS, after conferring with the MLSPA, shall issue standard operating procedures to Teams for on-boarding international Players, taking into account issues related to opening bank accounts, immigration and receipt of required tax identification information.

(iv) A full payroll report will be delivered to the MLSPA upon reasonable request and will automatically be generated and delivered to the MLSPA within two (2) days after the payroll period following the: (i) Roster Compliance Date; (ii) the close of the primary transfer window; (iii) the close of the secondary transfer window; and (iv) the Roster Freeze Date of each year.

## 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 two hundred and fifty (250) miles shall be measured by the distance between airports of the two (2) 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. 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. Each Team shall provide Players access and/or membership to the lounge of one (1) major airline carrier (e.g., United). MLS and the MLSPA shall consult regarding alternative solutions for Players who do not regularly have access to such lounges.

There shall be no obligation by MLS and/or a Team to provide chartered air transportation, except as set forth below:

- (i) All Player flights for MLS playoff games must be chartered.
- (ii) All Player flights for CCL games played outside of the United States or Canada must be chartered.
- (iii) In addition to the games identified in (i) through (ii) above, Teams must provide chartered air transportation for the following number of legs of flights per year:
  - 2020: 8 mandatory legs of flights per year
  - 2021: 8 mandatory legs of flights per year
  - 2022: 8 mandatory legs of flights per year
  - 2023: 10 mandatory legs of flights per year
  - 2024: 12 mandatory legs of flights per year
  - 2025: 14 mandatory legs of flights per year
  - 2026: 16 mandatory legs of flights per year
  - 2027: 18 mandatory legs of flights per year

Notwithstanding the foregoing, Teams will have the discretion to charter air flights for other international games and/or tournaments, but Teams shall not have the discretion to charter additional flights for MLS games other than as set forth in this Section 11.1. The MLSPA shall be provided advanced notice of all scheduled chartered air flights as soon as reasonably practicable. Upon receipt of such notice, the MLSPA shall promptly notify MLS of any trips that it wishes to

discuss. MLS shall consult with the MLSPA regarding the reasoning for the choice of the chartered air flights that the MLSPA identified as warranting discussion.

After consulting with the MLSPA, MLS shall implement minimum standards regarding the quality and range of the airplanes used to charter Players.

MLS and Team representatives shall meet with the MLSPA once each year to discuss chartered travel priorities, giving due consideration to trying to improve Players' travel conditions in the following situations:

- (i) Flights requiring a connecting flight;
- (ii) Flights with three (3) or more hours of flight time;
- (iii) Flights to/from midweek games or to/from weekend games after a midweek game has been played; and
- (iv) Flights that can get Players home for an extra night.

**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 the Approved Hotels List (copy attached hereto as Exhibit 4 and made a part of this CBA), as may be amended from time to time consistent with this Section 11.2, 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 accommodations 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 seven and one-half percent (7.5%) or more from one year to the next (e.g., if the 2021 cost is over seven and one-half percent (7.5%) more than the 2020 cost), MLS may remove such hotel from the approved list. In such event, MLS may propose (if necessary) a substitute hotel, and the MLSPA will not unreasonably withhold its consent to the addition of such substitute hotel.

MLS and the MLSPA will meet and confer each year regarding the current list of hotels in Exhibit 4. Either party may request that a hotel be removed from the list of acceptable hotels if it is no longer of comparable quality to the hotels listed in Exhibit 4. The parties shall confer to identify a replacement. If agreement cannot be reached, MLS may add a replacement hotel provided such new hotel is of comparable quality to the list of acceptable hotels listed in Exhibit 4.

### **Section 11.3 Game Tickets:**

- (i) 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 or neutral-site games; (iii) four (4) tickets to the All-

Star Game if they are participating in that game, or a game played in connection with the 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.

(ii) 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.

(iii) Players who request tickets will be taxed in the United States, Canada, or both, as each country's laws require, on the value of those tickets, regardless of who uses the tickets, for what purpose the tickets are used, or whether the tickets are used at all, except as otherwise provided in this Section. MLS and its Teams shall determine in their sole discretion, consistent with the principles outlined in this Section, whether and where a Player's tickets are taxable, and shall withhold taxes from Players' wages and other amounts due to them consistent with that determination.

(iv) All Players who request tickets more than forty-eight (48) hours before a game's scheduled start will be taxed on those tickets.

(v) Players on Canada-based Teams will be taxed in Canada on all tickets regardless of when the tickets are requested.

(vi) Players on United States-based Teams will be taxed in the United States on all tickets, except that Players on United States-based Teams will not be taxed on tickets requested within forty-eight (48) hours of a game's scheduled start in a section of the stadium that does not sell out by the time of the game's scheduled start. For the avoidance of doubt, Players on United States-based Teams who request tickets within forty-eight (48) hours of a United States-based game's scheduled start in a section of the stadium that was not sold out at the time the tickets were requested, but later sells out, will be taxed on the value of those tickets.

(vii) MLS and its Teams will not hold back from public sale, reserve, block off, or otherwise designate certain tickets or sections of a stadium for use by Players, their families, or their friends before a Player requests tickets. Players may select their requested tickets from those tickets that remain unsold at the time of their request. Requesting tickets within forty-eight (48) hours of a game's scheduled start carries a heightened risk that no tickets will be available at the time of the request. For example, all seats in the stadium or all seats in the section of the stadium where the Player requests tickets may sell out sooner than forty-eight (48) hours before the game's scheduled start.

(viii) Players will be taxed on one hundred percent (100%) of the taxable value of the ticket that they request, unless an exception described in this Section applies. In general, the taxable value of a ticket will equal its face price. The face price of a ticket represents the fair market value of the ticket. If, however, a Player requests season tickets at the beginning of a season, the taxable value of the tickets will be equal to any lower season ticket price that is offered to the public for comparable tickets. The taxable value of a ticket may also be discounted if the same discount is offered to the public for the same type of ticket requested by the Player. In certain cases, to be determined in MLS's sole discretion, Players taxed in the United States may be eligible to be taxed



on eighty percent (80%), rather than one hundred percent (100%), of the taxable value of tickets they request for certain games. MLS may, however, determine that United States tax law does not allow this twenty percent (20%) discount to be applied in these circumstances.

(ix) Notwithstanding the above, Players on United States-based Teams may request and receive on a tax-free basis up to four (4) complimentary tickets for any United States-based game per League Year, regardless of whether the game is sold out. For the avoidance of doubt, Players on United States-based Teams may request two (2) complimentary tickets for a sold out United States-based game one week, and two (2) complimentary tickets to a sold out United States-based game the following week, but after receiving four (4) such tickets, all complimentary tickets thereafter will be subject to the taxation requirements of this Section.

(x) 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.

(xi) MLS and MLSPA 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 negotiate a side letter for the sole purpose of providing complimentary tickets to Players on a tax-free basis to the greatest extent allowable by law, as determined in MLS's sole discretion.

(xii) Six (6) tickets shall be made available to authorized MLSPA representatives for purchase for each Regular Season game, Post-Season game, 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 MLSPA 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 MLSPA'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”) (copy attached hereto as Exhibit 5 and made a part of 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 MLSPA, 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:** Each 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 (6) 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 (14) 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 (6) week entitlement. Players on the same Team are not required to be granted the same consecutive five (5) 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 eight (8) days off every eight (8) 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.

**Section 13.3 Mid-Season Break:** Players shall receive a mid-season break, which shall be two and one-half (2.5) consecutive days without any Team obligations between June 1<sup>st</sup> and September 10<sup>th</sup> (such days may take place during a FIFA window) each year, with the half-day off beginning no later than noon local time. The exact dates of such mid-season break will be set by the Team, in its sole discretion, and shall be communicated to the Players at least thirty (30) days in advance.

## 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 Roster & Budget 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 (i.e., 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 MLSPA 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 Homegrown Player rules. The fact/information sheet shall include contact information for the MLSPA. MLS shall consult with the MLSPA regarding additional opportunities for the MLSPA to be introduced to academy Players.

## ARTICLE 15

### LOANS AND TRANSFERS

**Section 15.1 Trades and Reassignments:** 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 United States.

Any traded or reassigned Player shall receive a \$5,000 (\$5,500 in 2027) 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 (3) days prior to reporting to his new Team shall not be unreasonably withheld.

**Section 15.2 Loans and Transfers:** 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 Affiliate through a rider to his SPA, which must be separately signed. MLS and the MLSPA will agree on a rider to the SPA for these purposes. The MLSPA will not advise or influence any Player to not sign the rider and MLS may, in its discretion, require any Player(s) to sign the rider as a condition of employment. For the avoidance of doubt, the Player must be twenty-four (24) years old or younger at the time of such future loan. For a Player twenty-five (25) years old or older, a loan to an Affiliate will be for a term agreed upon by the Player, which may be less than one (1) full season.

While on loan to any lower division team in the United States or Canada, a Player will receive a per diem of at least fifty-five dollars (\$55) per day (\$13 for breakfast; \$14 for lunch; \$23 for dinner; \$5 for incidentals) (\$60.50 in 2027: \$14 for breakfast; \$15 for lunch; \$25 for dinner; \$6.50 for incidentals) when traveling with such team, provided that such per diem amounts may be paid directly by the lower division team.

While on loan to an 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 10.13. 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 10.16 and if such Player is loaned to an 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: (i) 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 (ii) he was provided with housing expenses from the commencement of his SPA to the date of the loan to the 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 Affiliate. In addition, a loaned Player is not responsible for paying for housing, utilities (including but not limited to electricity, heat, water, sewage, trash removal, Internet, and cable) or furnishings (bedroom furniture, kitchen wear including cooking and serving utensils, lounge furniture, television) in both the MLS and Affiliate 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 the applicable Affiliate rules and regulations.

A Player on loan to an Affiliate for the entire Affiliate 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 gameday roster of his Team during the period that runs from the date of the first Affiliate regular season game through the final league season game (including playoffs) of the Affiliate team to which he is loaned.

Player Eligibility Notice: MLS shall notify and fully disclose upon signing to any Player who may be moved to roster slot 31 or greater, that if he is moved to roster slot 31 or greater, he will not be eligible to play in League Season matches. MLS will provide notice to the MLSPA when Players are moved to such slot.

**Section 15.3 Consideration for Loan or Transfer:** 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 an Affiliate if the loan fee is used solely as a mechanism to cover the player's salary.

**Section 15.4 FIFA Rules and Regulations:** 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 FIFA Regulations on the Status and Transfer of Players:** Unless otherwise prohibited by any other provision of this CBA, MLS shall be permitted to act in accordance with all provisions of the FIFA Regulations on the Status and Transfer of Players ("FIFA RSTP") adopted by FIFA on March 22, 2014, effective August 1, 2014, as those FIFA RSTP 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 be 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.

At the end of the agreed upon term of the intra-League loan, the loaned Player shall be entitled to the same relocation expenses as a traded Player in order to move back to the home city for the Team from which he was originally loaned, even if his SPA with that Team expired on the same date that the intra-League loan expired.

## **ARTICLE 16**

### **PARTICIPATION IN HAZARDOUS ACTIVITIES AND OTHER SPORTS PROHIBITED**

The MLSPA 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 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:**

(i) End of Regular Season/Post-Season:

(a) Subject to Section 17.3, a Player may be required to train after his Team's final Regular Season or Post-Season game if:

1. The 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
2. The Player's Team conducts such training in accordance with the Post-Season training Rules set forth in Section 17.2(ii).

(ii) Post-Season Training Rules:

(a) *Post-Season Training Timing:*

1. If MLS Cup takes place after United States Thanksgiving, Post-Season training for MLS Teams may extend no later than the Friday before Thanksgiving.
2. If MLS Cup takes place between November 1<sup>st</sup> and United States Thanksgiving, Post-Season training for MLS Teams may extend no later than the Friday before MLS Cup.

(b) *Time Off Immediately After Season:* Players must have a minimum of seven (7) days off immediately following their Team's last competitive MLS match prior to the start of any Post-Season training.

(c) *Post-Season Individual Meetings:* A Player may request an individual meeting with the coaching staff to identify key areas of improvement for the following season, including fitness and nutrition, technical development goals or other areas of improvement.

(d) *Post-Season Training Player Eligibility:* Any Player participating in Post-Season training following his Team's last competitive MLS match must be under contract for the following season. If a Player has an option for the following season, that option must be exercised prior to his participation in any Post-Season training.

(e) *Post-Season Training Schedule:* Players must receive a full, detailed schedule for all Post-Season training prior to the start of such training.

(f) *Post-Season Training Facility Access:*

1. Players must have access to Team training facilities and equipment, within reasonable and appropriate limitations, throughout the Off-Season.
2. A Player may use another MLS Team's training facility to perform personal training during the Off-Season provided he is granted prior permission from the Team in control of the training facility. Additionally, his Team must provide prior confirmation to the League and to the Team in control of the training facility that it will not bring any tampering charge related to any such training.
3. If a Player is using another MLS Team's training facility in conjunction with a specialized Off-Season program, the Player's Team need not provide permission. For example, a Player who requires access to a soccer-specific facility as part of a training program conducted at the EXOS Athlete Performance Institute facilities in Frisco, Texas or Los Angeles, California would be able to use the training facilities of FC Dallas or the LA Galaxy, respectively, to perform such training without his Team's permission.

(g) *Post-Season Training Limitations:* Teams may not conduct Post-Season training more than five (5) days a week and may not conduct Post-Season training on weekends.

(h) The restrictions set forth in this Section 17.2(ii) only apply to training, not meetings.

(iii) Pre-Season Training Camp Start Date:

(a) If MLS Cup is played after United States Thanksgiving, no Team may have its Players report to the Team for Pre-Season Training Camp 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(iv).

(b) If MLS Cup is played between November 1<sup>st</sup> and United States Thanksgiving, the date when Players must report to the Team for Pre-Season Training Camp may be no earlier than eight (8) weeks prior to the date of the first MLS Regular Season game, provided that such report date cannot be prior to January 4<sup>th</sup>, and provided further that each Team shall spend at least five (5) consecutive days in its home market at some point during Week 3, 4, 5 or 6 of Pre-Season, with at least three (3) of such days off (which shall count against the Team's days off requirement), except as set forth in Section 17.2(iv).

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

(a) 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

(b) Non-Compulsory Tournament/Exhibition Games: Teams may play Exhibition Games between November 30<sup>th</sup> 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 10.9; 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.

(c) 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) If MLS Cup is played prior to November 1<sup>st</sup> in a year, MLS and the MLSPA will utilize their best efforts to negotiate revised rules regarding Post-Season and Pre-Season training schedules, provided that, if the parties cannot agree, MLS may continue to schedule training and games between MLS Cup and November 30<sup>th</sup> pursuant to Section 17.2(c).

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

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

(i) Players Participating in Post-Season: Players required to play in a Post-Season game over United States Thanksgiving weekend will be entitled to receive days off during the two (2) 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:

(a) Option 1: three (3) consecutive days off; or

(b) Option 2: weekend off (from noon on Friday through Sunday – Teams may train up until noon on Friday) plus an additional day off.

(ii) 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 United States 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 6<sup>th</sup> to January 3<sup>rd</sup>. On or before January 15<sup>th</sup> of each year, MLS shall notify the MLSPA 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 MLSPA, schedule such games prior to December 23<sup>rd</sup> or after January 6<sup>th</sup> 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 four (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<sup>rd</sup>, each Team may not play more than:

- (i) Up to thirty-eight (38) Regular Season games;
- (ii) Six (6) Post-Season games including MLS Cup; provided that MLS has the discretion to divide Regular Season and Post-Season games 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/USSF/CSA/Compulsory Tournaments as well as any qualifying tournaments or play-in games (e.g., Copa Libertadores, USOC, Canadian Championship, CCL);
- (v) One (1) additional League-run tournament; and
- (vi) Newly-created US-Mexico Champions Cup (MLS will consult with the MLSPA 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 MLSPA prior to changing the Post-Season format.

**Section 17.7 MLS Discretion:** The MLSPA 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 Player signings during the term of this Agreement shall consist of: (i) a Standard Player Agreement (copy attached hereto as Exhibit 1 and made a part of this CBA); and (ii) any attachment to the SPA (including, but not limited to, schedules to the SPA, marketing agreements, termination letters, buy-out agreements, and transfer/loan agreements that are relevant for Salary Budget or allocation purposes) as agreed to between MLS and the Player.

(ii) MLS shall provide copies of: (i) each Player's SPA; and (ii) any attachment to each Player's SPA as agreed to between MLS and the Player which is consistent with the provisions of this CBA (including, but not limited to, schedules to the SPA, 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 MLSPA 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 MLSPA 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 MLSPA 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<sup>st</sup>, and then delivers the Standard Player Agreement to his Team and/or MLS on January 10<sup>th</sup>, MLS shall provide the MLSPA with the Schedule within five (5) business days of January 1<sup>st</sup>, and the Standard Player Agreement within five (5) business days of January 10<sup>th</sup>. If at the time any of the documents referred to herein are delivered to the MLSPA, such document(s) have not been signed by MLS, then MLS shall provide the MLSPA 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 MLSPA via weekly emails on Monday and Friday of each week to email address(es) designated by the MLSPA.

(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. 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 MLSPA 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 MLSPA.

(ii) If the MLSPA develops and implements an agent certification program, the MLSPA 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 MLSPA 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 MLSPA's agent-certification program shall include a procedure for MLS to file complaints with the MLSPA 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:** A Player may terminate his SPA upon ten (10) business days' written notice to MLS and the MLSPA 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 MLSPA. 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 MLSPA for a Player's breach of this provision.

## **Section 18.6 Guaranteed Contracts:**

(i) 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.

(ii) Automatic Guarantee: Contracts will be Guaranteed for all Players who have completed at least one (1) MLS Service Year, provided that a Player who has completed at least one (1) MLS Service Year may remain on a Semi-Guaranteed Contract during Pre-Season of the year immediately following completion of his first MLS Service Year, but if such Player is under contract after the Roster Compliance Date at any time in the future after earning his one (1) MLS Service Year, such Player's SPA must thereafter be guaranteed.

(iii) Homegrown Players:

(a) A Player with no MLS Service Years may have a Semi-Guaranteed Contract, provided that all Homegrown Players who are nineteen (19) years old or younger must have a Guaranteed Contract for their first year.

(b) When MLS or a Team offers a contract to any Homegrown Player, such Homegrown Player will simultaneously be provided with the MLSPA's contact information.

## **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<sup>st</sup> 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<sup>st</sup>.

**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<sup>st</sup> of the year in which it is signed except for:

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

(ii) Players entering MLS from a league outside of the United States and Canada;

(iii) For Players: (i) playing on an Affiliate; and (ii) loaned to the MLS-affiliated Team, such SPA may expire earlier than December 31<sup>st</sup> 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 gameday roster for no more than four (4) games, and play in no more than two (2) League Season games, and provided further that during such time, the Player may play in any USOC games, Exhibition Games, Liga MX Tournaments and CCL 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 10.13 (Retirement Plan), 10.16 (Relocation Expenses) with the exception of the housing and per diem benefits set forth in that Section, and 10.20 (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 gameday 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 Termination Medical Insurance:** A Player who: (i) has at least six (6) MLS Service Years; and (ii) announces that he is intending to retire as a professional soccer player, may elect to have MLS cover the cost of two (2) months of The Comprehensive Ombudsman Benefits and Retirement Act (“COBRA”) benefits. A Player may only elect to extend his health insurance coverage pursuant to this Section one (1) time.



**Section 18.13 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 an annual Base Salary of \$180,000 or less in any given year, shall provide for annual increases in base salary of not less than five percent (5%) per annum following such year, 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 five percent (5%) annual raise.

**Section 18.14 Options:**

(i) For Players twenty-one (21) years of age or younger (i.e., will not turn twenty-two (22) or older during the calendar year in which the SPA is executed), or Players for whom the MLS SPA is their first professional soccer contract, MLS may not include more than three (3) unilateral options in any such Player's SPA, and such options, in the aggregate, may extend the SPA for no more than three (3) years. For all other Players, 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.

In the event MLS exercises its right to acquire a Player who is on loan, MLS may include up to two (2) or three (3) unilateral options (based on the criteria set forth in the above paragraph) in such a Player's SPA, and such options, in the aggregate, may extend the SPA for no more than two (2) or three (3) years during the term of the SPA following such acquisition in that Player's SPA. For the avoidance of doubt, the new initial term of the SPA immediately following the Player's permanent transfer shall not be considered as one of the two (2) or three (3) unilateral options referenced in the foregoing sentence.

In addition, for those Players whose base salary is \$180,000 or less during the last guaranteed year, each unilateral option will be set at not less than: (i) a ten percent (10%) increase in base salary, provided that the Player plays in at least fifty percent (50%) of the games (e.g., eighteen (18) games in a thirty-six (36) game season) for his assigned Team(s) during the previous League Season; or (ii) a fifteen percent (15%) increase, provided that the Player plays in at least seventy-five (75%) of the games (e.g., twenty-seven (27) games in a thirty-six (36) game season) for his assigned Team(s) during the previous League Season.

(ii) 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.

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

**Section 18.15 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<sup>th</sup>. 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, 2020, the Player with the non-exercised option will be paid and health insurance will be extended through January 14, 2021).

**Section 18.16 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:

(i) 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 10.3. 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 seventeen (17) Players on the Senior Roster, but for purposes of the Team Salary Budget, the League will impute an eighteenth (18<sup>th</sup>) player at the Senior Minimum Salary. MLS and the MLSPA agree to meet and confer prior to the expiration of this Agreement to discuss the possibility of modifying the CBA to add the Supplemental Roster (which shall mean the roster of Players on any MLS Team that shall not count against the Team Salary Budget), on a cost-neutral basis, to the Senior Roster.

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

(a) Roster slots 21-24: Up to four (4) Players will be paid a base salary which is at least the Senior Minimum Salary; and

(b) 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 Sections 10.4 and 10.6 are met.

(iii) 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 Sections 10.4 and 10.6 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<sup>st</sup>; and (ii) two (2) 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<sup>th</sup>; and (ii) four (4) weeks prior to the start of the Post-Season. The Roster Freeze Date only applies to the Regular Season and Post-Season.

**Section 19.4 Youth Player Slots:**

(i) Timing and Number of Slots: Beginning in 2021 MLS may, in its discretion, add up to three (3) Youth Player Slots for each MLS Team. Such slots shall be considered Senior Roster slots.

(ii) Eligible Players for Youth Player Slots:

(a) *Age*: The Player must be twenty-two (22) years old or younger in the year he is eligible to play in an MLS game.

(b) *Player on First Contract*: The Player must be signing his first SPA with MLS; and

1. The Player is an International or Domestic Player playing outside of MLS at the time he signs his first MLS SPA; or
2. The Player is signing his first SPA as a Homegrown Player (i.e., not including drafted players, draft-eligible players or Generation adidas Players).

(c) *Homegrown Player or SuperDraft Player Signing Second MLS Contract*: A Homegrown Player or SuperDraft Player must be signing his second SPA with MLS, provided such Player was initially signed as a Homegrown Player or SuperDraft Player (and meets the age and compensation requirements as set forth in this Section 19.4).

(iii) Budget Treatment:

- (a) *Players Twenty (20) Years Old or Younger*: The first \$150,000 of the Player's salary will be absorbed by the salary budget;
- (b) *Players Twenty-One (21) to Twenty-Two (22) Years Old*: The first \$200,000 of the Player's salary will be absorbed by the salary budget (subject to the requirements set forth in this Section 19.4);
- (c) For all Players, all amounts above the Salary Budget Charge will be paid on a discretionary basis by the Player's Team.
- (d) MLS may, in its sole discretion, and consistent with Section 10.10(xii), increase the \$150,000 and \$200,000 thresholds set forth in (a) and (b) above for absorption by the salary budget by an amount equal to the percentage increase of the salary budget.

(iv) Roster Treatment: A Player who signs at twenty-two (22) years old or younger may continue to occupy a Youth Player Slot through the year in which he turns twenty-five (25) years old, provided that for non-Homegrown Players and non-SuperDraft Players, such Player must be on his initial MLS SPA (Homegrown Players may continue to occupy a Youth Player Slot provided his first or second SPA was signed at age twenty-two (22) or younger).

(v) Compensation: A Player may earn no more than the Maximum Salary Budget Charge as set forth above, provided that: (i) Teams may pay additional amounts in the form of an acquisition fee (transfer or loan); and (ii) a Homegrown Player or SuperDraft Player on his second MLS SPA may earn up to \$200,000 above the Maximum Salary Budget Charge.

(vi) Transfer of Player: In the event a Player occupying a Youth Player Slot is transferred outside MLS, one hundred percent (100%) of the proceeds of the sale will be paid to the Team. After consultation with MLSPA, the League may, in its discretion, allow Teams to convert part or all of the proceeds from a Player transfer to allocation. Notwithstanding the foregoing, in

the event such transferred Player was originally signed as a Homegrown Player or SuperDraft Player, then the MLS guidelines regarding the conversion of all or part of the transfer fee to allocation shall apply. The Team must recoup all discretionary amounts paid above the Salary Budget prior to any conversion to allocation; conversion is only possible for net profit amounts.

(vii) Increasing, Decreasing, or Eliminating Number of Slots: MLS may decrease or eliminate the number of Youth Player Slots in its sole discretion. MLS may increase Youth Player Slots only after consultation with the MLSPA, provided that any such increase will be subject to forty percent (40%) of the Additional Spend as set forth in Section 10.10(xx), and MLS will receive credit against such forty-percent (40%) for amounts spent on Homegrown Players or SuperDraft Players who are under contract in the year in which a Youth Player Slot(s) is added (e.g., if the additional Youth Player Slot is for Homegrown Players only, such Additional Spend provision as set forth in Section 10.10(xx) shall not apply).

## 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 MLSPA 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.

1. The maximum fine for tardiness for Players earning up to \$400,000 in base salary for a second offense shall be \$300.
2. 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.
3. The maximum fine for tardiness for Players earning more than \$750,000 in base salary for a second offense shall be \$750.
4. 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.

1. The maximum fine for failure to appear for Players earning up to \$400,000 in base salary for a first offense shall be \$500.
2. 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.
3. 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.
4. 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).

1. The Team rules are subject to the other provisions of the CBA and SPA related to Player obligations and discipline.
2. The final adoption of the rules is subject to approval by the Commissioner at his discretion.
3. 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 MLSPA prior to making a

new appointment. The other member shall be appointed by the MLSPA and shall be a former MLS player but shall not be an active player nor a MLSPA 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 MLSPA 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 MLSPA. MLS will consult with the MLSPA 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 MLSPA, 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 under Article 21. 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 who 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 MLSPA. 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 MLSPA.
- (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 MLSPA may appeal in writing to the Commissioner within:
  - 1. if the dispute concerns discipline imposed under Section 20.2(i), forty-eight (48) hours of receipt of the disciplinary decision; or
  - 2. 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 MLSPA's notice of appeal. The Commissioner will consult with the MLSPA 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, MLSPA 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 or his designee 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. When making the determination as to whether the discipline should be reduced, the Commissioner or his designee shall consider a number of factors, including (i) past precedent of similar plays, (ii) the Player's testimony, (iii) the intent of the Player, and (iv) the Player's past disciplinary record, provided that

nothing herein shall limit the Commissioner or his designee's discretion to determine the appropriate discipline. 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 MLSPA 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 MLSPA 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: (i) first consulting with the MLSPA; and (ii) 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.

Seventy-five percent (75%) of fine monies will be contributed to a charity or charities designated by the MLSPA. The remaining twenty-five percent (25%) of fine monies will be contributed to a charity or charities designated by the League.

**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 MLSPA shall be given advance notification of any investigative interview of a Player or any hearing involving a Player. The MLSPA 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 MLSPA representative.

**Section 20.7 MLSPA Meetings with Disciplinary Committee:** MLS and the MLSPA agree to meet at least three (3) times per year (once prior to the start of the Regular Season, once mid-Regular Season, and once Post-Season) to discuss the decisions and work of the Disciplinary Committee, and any other relevant issue regarding the work of the Disciplinary Committee.

**Section 20.8 Sharing Relevant Data and Information:** MLS and the MLSPA shall meet and confer on the subject of MLS sharing relevant data and information with the MLSPA regarding MLS refereeing and disciplinary decisions. The discussions between MLS and the MLSPA shall include, without limitation, the appropriate scope of data and information to be shared, the timing of when MLS shall share the relevant data and information with the MLSPA, and the format of the relevant data and information shared.

**Section 20.9 Gambling:** League gambling policies applicable to Players shall be determined and implemented at the discretion of the Commissioner after consultation with the MLSPA pursuant to CBA Article 5 (see also Article 20.2(ii)). MLS and the MLSPA recognize that the legalization of sports gambling in the United States may have consequences not yet fully appreciated or recognized by the parties. MLS will further consult with the MLSPA as a League-wide sports-betting and gambling program evolves. MLS and the MLSPA shall establish a system whereby a Player may anonymously report gambling activity, and demonstrate if and when it is necessary, that the Player has in fact reported such activity in compliance with the applicable League gambling policy.

## 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 MLSPA 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 MLSPA 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 email 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 email 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 MLSPA. 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 MLSPA 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 email 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<sup>st</sup> and 15<sup>th</sup> 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 MLSPA. Each Player party to an 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 MLSPA. 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: (i) 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); (ii) for in-network services, a maximum co-pay of \$25 (\$30 for a specialist), or for out-of-network services, a twenty percent (20%) coinsurance after payment of the deductible; (iii) an out-of-pocket payment limit (per calendar year) of \$1,250 for individual coverage (\$2,500 for family) for in-network services, or an out-of-pocket payment limit (per calendar year) of \$2,000 for individual coverage (\$4,000 for family coverage) for out-of-network services; (iv) co-insurance coverage for one hundred percent (100%) of in-network services, or for eighty percent (80%) of out-of-network services; (v) unlimited lifetime maximum benefits; and (vi) coverage for in-network prescription drugs as follows: (a) \$15 co-payment for generic drugs; (b) \$20 co-payment for formulary brand name drugs; and (c) \$35 co-payment for non-formulary brand name drugs.

The medical plan coverage described in this paragraph is further summarized in the following chart:

Description	Medical Plan	
	In-Network	Out-of-Network
Network		
Deductible	\$250/Single \$500/Family	\$500/Single \$1,000/Family
Coinsurance	100%	80%
Maximum Out-of-Pocket (including Deductible)	\$1,250/Single \$2,500/Family	\$2,000/Single \$4,000/Family
Primary Care Office Visits	\$25 Copay	80% after deductible
Specialist Office Visits	\$30 Copay	80% after deductible
Retail Prescription Drug (in-network)	\$15 Copay Tier 1 (generic drugs); \$20 Copay Tier 2 (formulary brand name drugs); \$35 Copay Tier 3 (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 MLSPA.

Subject to any conditions and limitations contained in the plan currently in effect, the dental plan will provide, at a minimum, that Players receive with no annual deductible, coverage for one hundred percent (100%) of preventive services (as those services are defined in the current insurance plan); coverage for eighty percent (80%) of general dental expenses and basic services (as those services are defined in the current insurance plan), after a deductible of \$50 for individual coverage (\$100 for family); and coverage for fifty percent (50%) of crowns, inlays, 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 December 18, 2014, 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 December 18, 2014, 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 percent (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 MLSPA, 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**

### **ROSTER & BUDGET GUIDELINES**

Each Player shall be subject to the provisions of the Roster & Budget Guidelines. In the event of a conflict between the Roster & Budget Guidelines and an express provision of the CBA, the express provision of the CBA shall govern. A copy of the Roster & Budget Guidelines, and all amendments thereto, shall be available at the MLS office. Each time that the League amends the Roster & Budget Guidelines, it shall as soon as reasonably possible, distribute a copy of such amended document(s) to the MLSPA and, upon the request of the MLSPA, 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 MLSPA 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 (3) per party) that will meet at least twice per year. The parties shall exchange their respective agenda items three (3) weeks before the meeting.

**Section 24.3 Technical Committee:** The League will solicit input from the MLSPA regarding issues that are discussed with the MLS Technical Committee, and will provide the MLSPA with information reasonably necessary to allow the MLSPA to provide meaningful input on the issues to be discussed with the MLS Technical Committee.

**Section 24.4 Facility Security Committee:** A joint Facility Security Committee shall be formed, the mandate of which shall be to discuss the below listed stadium and training facility security requirements and concerns:

- (i) Player Parking for the Home Team;
- (ii) Player Bus Arrival and Departure for Visiting Team;
- (iii) General Stadium Ingress for Players;
- (iv) Stadium Tunnel Passage for Players;
- (v) Player Locker Rooms;
- (vi) Player Bench Areas;
- (vii) Players' Family Seating; and
- (viii) Training Facility Player Safety.

The Facility Security Committee will consist of six (6) members: three (3) MLS-appointed representatives and three (3) MLSPA-appointed representatives. The Facility Security Committee may discuss and examine the specific issues listed above, as well as other Player-security issues of concern to the Committee. The Facility Security Committee shall conduct one in-person meeting annually, and may make recommendations solely on issues on which a majority of the Committee agrees. Recommendations made by the Committee shall be given careful and appropriate consideration by the Commissioner (or his designee) who shall retain final authority as to security issues generally and as to whether any particular recommendation should be adopted.

MLS shall make reasonable efforts to provide a safe working environment at its stadium and training facilities, and shall develop a Security Manual designed to establish reasonable guidelines for security at its stadium and training facilities, with due consideration given to the requirements and needs of each venue. In developing the Security Manual, MLS shall seek input from the joint Facility Security Committee regarding the sections of the Security Manual which directly pertain to Players, and shall consult with the MLSPA on those sections before the Security Manual is issued. The final contents of the Security Manual shall be determined by MLS in its sole discretion. MLS shall provide a copy of the Security Manual, as it is amended from time to time, to the MLSPA.

**Section 24.5 Joint Committee on Health and Safety:** A Joint Committee regarding Health and Safety shall be formed for purposes of discussing player health and safety, including, without limitation, concussions.

The Committee shall consist of three (3) members appointed by MLS and three (3) members appointed by the MLSPA. At least one member of each side must have at least three (3) years' experience in sports medicine (e.g., physician, trainer, sport scientist). The Committee Members shall be selected and the length of their terms fixed under mutually-agreed upon rules established by MLS and the MLSPA. The inaugural Committee Members will be selected within thirty (30) days following the execution of this Agreement.

The Committee shall meet at least once per year in person to confer about current health and safety issues and explore solutions. Additional meetings may be called as necessary. The Committee shall not have the power to commit or bind either MLS or the MLSPA on any issue within its jurisdiction.

The Committee shall have the ability to make recommendations, which shall be made exclusively to the MLSPA, MLS, the Commissioner (or his designee), or any appropriate MLS medical committee. MLS shall decide, in its sole discretion, whether to implement the Committee's recommendations.

The Committee Members and the MLSPA shall be invited to attend the MLS Annual Medical meeting; provided, however, that MLS and the MLSPA will discuss which specific sessions of the MLS Annual Medical meeting the Committee Members shall be permitted to attend.

**Section 24.6 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. MLS and the MLSPA shall meet and confer regarding the development of a policy concerning air quality standards for games and trainings that incorporates the United States Environmental Protection Agency's Air Quality Guide for Particle Pollution.

**Section 24.7 Ball Kids:** Ball kids provided by a Team will be held to the highest standards of professionalism, and in no case will they make any attempt to affect the outcome of a game or else the MLS will impose discipline on them.

## ARTICLE 25

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

**Section 25.1 All-Star Game:** 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-Star Players, who shall be considered All-Star Players 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-Star Players, all such Players shall be considered All-Star Players 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-Star Players 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 any year, 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 All-Star Player. 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 MLSPA on any changes in the All-Star Game roster selection process, and shall exercise good-faith in naming All-Star caliber Players as the Players who shall receive an All-Star Game 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 Homegrown Player All-Star Game:** MLS has the right, but not the obligation, to hold a Homegrown Player All-Star Game during the League Season. Unless a Player has individually negotiated a larger bonus in connection with being named to the Homegrown Player All-Star Game team, a Player named to that team shall receive a \$1,000 bonus (\$1,100 in 2027).

## ARTICLE 26

### NOTICES

**Section 26.1 Notices to Players as a Group:** 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 Notices Pursuant to this CBA:** If any notice is to be given to a Player pursuant to this CBA (e.g., option exercise notices), it shall be sent: (i) by personal delivery; (ii) by overnight courier (e.g., UPS or FedEx); or (iii) by email, to the applicable address(es) of the Player, or his authorized representative (if applicable), as set forth in the Player's SPA or Schedule or as set forth in a signed form provided to MLS. MLSPA and the Player's authorized representative (if applicable) shall be provided with an email copy of any notice given to a Player pursuant to this CBA.

MLS and the MLSPA will meet and confer each year prior to the Roster Freeze Date regarding: (i) a process by which to verify Player addresses and/or email addresses; and (ii) additional methods of notice delivery that will constitute proper delivery for purposes of this Section if mutually agreed upon by the parties. Notices sent to a Player consistent with these requirements shall be considered properly delivered for purposes of this Section.

Except as addressed elsewhere by this CBA, any and all notices given or required to be given to MLS or the MLSPA pursuant to this CBA shall be sent by personal delivery, overnight courier (e.g., UPS or FedEx) or by email as set forth below. Proof of email must be available through a confirmation of receipt (e.g., email delivery receipt or machine-generated message that delivery has failed). Notices shall be deemed to have been received on the date such notice is delivered to the mailing address stated below (or such other address as may be specified in writing by the parties hereto) or, in the case of email, on the date such notice is emailed to the email addresses set forth below and the sender does not receive a machine-generated message that delivery has failed:

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  
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If to the MLSPA, at:

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[bfoose@mlsplayers.org](mailto:bfoose@mlsplayers.org)  
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Bethesda, MD 20814

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**AND**

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## 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 MLSPA, or have any financial interest or participation in any entity that represents players except the MLSPA.

**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 (United States) 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 MLSPA, or on behalf of them, are merged into and superseded 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**

Nothing in the Commercial Player Licensing Agreement effective January 1, 2021, and any subsequent agreement between MLS and MLSPA granting the same or similar rights contained therein, shall affect the promotional rights granted by a Player to MLS and its Teams in Section 8(a) of the SPA to use his Likeness and Embodiments (as those terms are defined in the SPA) or any other promotional use rights with respect to the use of Player Likenesses that MLS has under the law, including common law, fair use, or otherwise.

## ARTICLE 29

### PLAYER MOVEMENT RULES

**Section 29.1 Players Whose Team Wants to Waive the Player:** Prior to MLS unilaterally terminating any Player's SPA:

(i) The Player will be placed on waivers or in a waiver draft and made available to all Teams under the current SPA.

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

**Section 29.2 Re-Entry Draft – Players Whose Options Are Not Exercised (22 + 1):** For a Player not eligible for Free Agency who will be at least twenty-two (22) years of age in the year in which the applicable Re-Entry Draft will take place and who has completed at least one (1) MLS Service Year, if such Player's option is not exercised, then in accordance with the procedures set forth in the Re-Entry Draft Rules (copy attached hereto as Exhibit 13 and made a part of this CBA):

(i) 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.

(ii) 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.

(iii) 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.

(iv) 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. A genuine offer to such a Player (which must be made with League approval) cannot include a contract term that is longer than the remaining number of years the Player has until he becomes eligible for Free Agency under Section 29.4, including options.

(v) If a RED Player is not selected in Stage Two, the Player shall thereafter be available to all Teams on a "first-come, first-served" basis and may be offered a new contract, provided that if the term of the contract offered, including options, extends beyond the year in which a Player would otherwise become eligible for Free Agency, then such Player must also be simultaneously offered a second contract with a term that does not extend beyond the Player's Free Agency eligibility year. After the immediately succeeding Roster Compliance Date, MLS may offer a contract, including

options, that extends beyond the year in which the Player would otherwise become eligible for Free Agency without being required to simultaneously offer a second contract with a term that does not extend beyond the Player's Free Agency eligibility year.

**Section 29.3 Re-Entry Draft – Out-of-Contract Players (22+1):** For a Player not eligible for Free Agency who will be at least twenty-two (22) years old in the year in which the applicable Re-Entry Draft is held and who has completed at least one (1) MLS Service Year, if such Player's contract has expired ("RED Out-of-Contract Player"), then in accordance with the Re-Entry Draft Rules the Player may participate in the Re-Entry Draft as follows:

(i) If the Player receives a 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.

(ii) A bona fide offer for the purposes of this Section 29.3 shall be an offer with a base salary that is the greater of: (i) ten percent (10%); or (ii) \$15,000 above 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, provided that the term, including options, of the bona fide offer cannot include a term that is longer than the remaining number of years a Player has until he becomes eligible for free agency under Section 29.4.

(iii) If the Player's prior Team does not make a 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.

(iv) 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 bona fide offer.

(v) If a RED Out-of-Contract 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.

(vi) 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. A genuine offer to such a Player (which must be made with League approval) cannot include a contract term, including options, that is longer than the remaining number of years the Player has until he becomes eligible for free agency under Section 29.4.

(vii) If a RED Player is not selected in Stage Two, the Player shall thereafter be available to all Teams on a "first-come, first-served" basis and may be offered a new contract, provided that if the term of the contract offered, including options, extends beyond the year in which a Player would

otherwise become eligible for Free Agency, then such Player must also be simultaneously offered a second contract with a term that does not extend beyond the Player's Free Agency eligibility year. After the immediately succeeding Roster Compliance Date, MLS may offer a contract, including options, that extends beyond the year in which the Player would otherwise become eligible for Free Agency without being required to simultaneously offer a second contract with a term that does not extend beyond the Player's Free Agency eligibility year.

#### **Section 29.4 Free Agency:**

(i) Eligibility:

(a) *Age and Service Years - 2020-2025 League Years Only:* Free Agency for out-of-contract and option decline players is available for Players who will be at least twenty-four (24) years old in the year in which the immediately preceding League Season concluded and have at least five (5) MLS Service Years.

(b) *Age and Service Years - 2026 and 2027 League Years Only:* Free Agency for out-of-contract and option decline players is available for Players who will be at least twenty-four (24) years old in the year in which the immediately preceding League Season concluded and have at least four (4) MLS Service Years.

(ii) Parameters of Free Agency Process: A Player who meets the eligibility requirements may select his Team pursuant to the following parameters, and in accordance with Section 29.6:

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

(b) Player may re-sign with his current Team at any compensation or term 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 and terms allowed under Section 29.4(ii)(c) and Section 29.5(iv), unless otherwise agreed by the League.

(c) Player may be compensated as follows:

1. **Tier 1:** Compensation Limits for Players whose FASBC (as defined in subsection iii, below) is at or below the Maximum Salary Budget Charge:

a. Year 1 – Up to the greater of:

- 1) \$25,000 above the subsequent year's Maximum Salary Budget Charge; or
- 2) *For the 2020-2025 League Years Only:* Fifteen percent (15%) above the Player's prior year FASBC.

*For the 2026 and 2027 League Years Only:* Twenty percent (20%) above the Player's prior year FASBC.

b. Years 2 and thereafter:

1) Up to the applicable year's Maximum Salary Budget Charge if Year 1's FASBC is at or below the Maximum Salary Budget Charge; and

2) If Year 1's FASBC is above the Maximum Salary Budget Charge, up to the greater of: (1) a five percent (5%) increase per year; or (2) the applicable Maximum Salary Budget Charge.

2. **Tier 2: Compensation Limits for Players whose FASBC is above the Maximum Salary Budget Charge up to the Maximum TAM Amount:**

a. Year 1:

1) *For the 2020-2025 League Years Only:* If the Player's prior year's FASBC is equal to or below \$500,000 above the Maximum Salary Budget Charge: Up to fifteen percent (15%) above the Player's prior year FASBC; and

2) *For the 2020-2025 League Years Only:* If the Player's prior year's FASBC is more than \$500,000 above the Maximum Salary Budget Charge up to the Maximum TAM Amounts: Up to twelve and one-half percent (12.5%) above the Player's prior year FASBC; provided, however, that the compensation limits for all Players whose FASBC is between \$500,000 and \$555,000 above the Maximum Salary Budget Charge shall be adjusted upward in accordance with the Tier 2 Maximum Salary Budget Charge to Maximum TAM (copy attached hereto as Exhibit 15 and made a part of this CBA) to ensure that no Player's compensation limit in that range is lower than the compensation limit of a Player whose FASBC was lower in the prior year.

*Or*

1) *For the 2026 and 2027 League Years Only:* If the Player's prior year's FASBC is equal to or below \$500,000 above the Maximum Salary Budget Charge: Up to twenty percent (20%) above the Player's prior year FASBC; and

2) *For the 2026 and 2027 League Years Only:* If the Player's prior year's FASBC is more than \$500,000 above the Maximum Salary Budget Charge up to the Maximum TAM Amounts: Up to fifteen percent (15%) above the Player's prior year FASBC; provided, however, that the compensation limits for all Players whose FASBC is between \$500,000 and \$555,000 above the Maximum Salary Budget Charge shall be adjusted upward in accordance with Exhibit 15 to ensure that no Player's compensation limit in that range is lower than the compensation limit of a Player whose FASBC was lower in the prior year.

b. Years 2 and thereafter: Up to a five percent (5%) increase, except that if the SPA has two options, the increase in the second option may be up to fifteen percent (15%) above the Player's compensation limit in the immediately prior year.

3. **Tier 3: Compensation Limits for Players whose FASBC is above the Maximum TAM Amount:**

a. As a non-Designated Player at an initial FASBC of up to the Maximum TAM Amount; or

b. As a Designated Player as follows:

1) Such Player will negotiate the compensation level and contract term with MLS; and

2) Such Player may re-sign with his prior MLS Team at such agreed-upon compensation level and contract term; or

3) Such Player may sign with another MLS Team as a Designated Player at an amount equal to ten percent (10%) less than the compensation amount negotiated with MLS if the Player's FASBC was between the Maximum TAM Amount and \$3,000,000; or

4) Such Player may sign with another MLS Team as a Designated Player at an amount equal to fifteen percent (15%) less than the compensation amount such Player negotiated with MLS if the Player's FASBC was above \$3,000,000 during the previous League Season.

c. MLS agrees that it will negotiate in good faith with any such Player in this situation. Notwithstanding the foregoing, in the event that the Player's prior MLS Team is not interested in re-signing the Player on the terms negotiated between the Player and MLS, the Player may sign with another MLS Team as a Designated Player without any reduction in the Player's base salary.

(iii) Free Agency Salary Budget Charge ("FASBC"):

(a) A Player's FASBC is different than a Player's Salary Budget Charge calculated for purposes of the Team Salary Budget. A Player's FASBC shall include the following items from the Player's SPA effective in the season prior to which the Player is eligible for Free Agency, as set forth in Section 29.4(i):

1. Player's annualized base salary in the season immediately prior to which the Player is eligible for Free Agency;
2. Player's housing and car allowance as set forth in the Player's SPA;
3. any additional compensation (including any signing bonus, loyalty bonus, roster bonus);
4. any marketing bonus (including footwear/gloves) and any payments included in a marketing agreement; and
5. any fees payable to an agent or representative.

(b) For purposes of the Player's FASBC calculation, a Player's base salary shall be his annualized base salary from the season immediately prior to which the Player is eligible for Free Agency, excluding the 1.04 multiplier in Section 10.10(vi)(a).

(c) For all other categories that comprise the Player's FASBC, the amount shall be calculated: (i) on an annualized basis if the year prior to which the Player is eligible for Free Agency was part of a guaranteed term; or (ii) on a cash basis if the year prior to which the Player is eligible for Free Agency was an option year. For example, if the Player had a signing bonus during his guaranteed term, that amount will be averaged over the guaranteed term.

The calculated amount set forth herein shall be referred to as the Player's "Free Agency Salary Budget Charge" or "FASBC".

(iv) A Player who is out-of-contract, but is not eligible for either the Re-Entry Draft or Free Agency may be offered a new contract, provided that if the term of the contract offered, including options, extends beyond the year in which a Player would otherwise become eligible for Free Agency, then such Player must also be simultaneously offered a second contract with a term that does not extend beyond the Player's Free Agency eligibility year.

**Section 29.5 Free Agency: Miscellaneous:**

(i) No League Interference: The League will not prevent or interfere with any Team attempting to acquire a Free Agent, provided such acquisition is in accordance with the terms of this Agreement and the relevant Roster & Budget Guidelines.

(ii) 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 one hundred five percent (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 2020, allocation is provided in December 2021).

(iii) Limitations: There shall be no limit on the number of Players each Team may sign per year via Free Agency.

(iv) Contract Terms: A Player participating in Free Agency pursuant to Section 29.4 may enter into a contract with a new Team for any of the following terms and with the same performance bonuses (unless otherwise approved by the League) as set forth in his prior agreement:

- (a) One (1) year Guaranteed Contract with one (1), one (1) year unilateral option;
- (b) One (1) year Guaranteed Contract with two (2), one (1) year unilateral options;
- (c) Two (2) year Guaranteed Contract with one (1), one (1) year unilateral option;
- (d) Two (2) year Guaranteed Contract with two (2), one (1) year unilateral options;
- (e) Three (3) year Guaranteed Contract with one (1), one (1) year unilateral option;
- (f) Three (3) year Guaranteed Contract with two (2), one (1) year unilateral options;  
or
- (g) Any different term/option structure must be approved by the League.

In addition to the above, Players participating in Free Agency pursuant to Section 29.4 who are at least thirty (30) years old may also enter a contract with a new Team for the following term



and with the same performance bonuses (unless otherwise approved by the League) as set forth in his prior agreement: Two (2) year Guaranteed Contract with no unilateral options.

(v) 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.

(vi) Limitation on Player Trades: For any Player eligible for Free Agency who signs a new contract with his existing Team (i.e., his Team as of the Roster Freeze Date) at a value greater than his compensation limit at which he would enter Free Agency, 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.

(vii) 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 29.6 Mechanics and Timing of Re-Entry Draft and Free Agency:**

(i) During years in which the League is not adding any expansion Teams the following MLS Season, MLS shall consult with the MLSPA 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 One and Stage Two 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.

(ii) During years in which the League is adding an expansion Team(s) the following MLS Season, MLS shall consult with the MLSPA 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 One and Stage Two 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 One of the Re-Entry Draft.

(iii) Upon the start of Free Agency, once a Team and Player agree on terms of a new deal through a new SPA, such terms shall be set forth in a Commitment Form signed by the Player and Team on the applicable Free Agency Commitment Form (copy attached hereto as Exhibit 14 and made a part of this CBA), as may be amended periodically upon mutual discussion and agreement between MLS and MLSPA. The applicable Free Agency Commitment Form shall be submitted to the MLSPA and League, and the League shall, within the limits set forth in Section 29.4 and 29.5, review the same for approval and issue a corresponding Schedule. After Free Agency opens, at the end of the week in which any Free Agency Commitment Form is submitted, the League will send the MLSPA an updated list of Players available (removing those Players who signed Free Agency 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 2020.

MAJOR LEAGUE SOCCER

MAJOR LEAGUE SOCCER  
PLAYERS ASSOCIATION

\_\_\_\_\_  
Donald Garber  
Commissioner

\_\_\_\_\_  
Robert L. Foose II  
Executive Director

\_\_\_\_\_, 2023

\_\_\_\_\_, 2023