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For Immediate Release

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MLS Players Union Announces Ratification of New Agreement with Major League Soccer

The Major League Soccer Players Union (the “Union”) announced today that the agreement between the Union and Major League Soccer (“MLS”), which was announced days before the opening of the 2010 season, has been ratified by its members. The Union’s player-only Bargaining Committee unanimously recommended the ratification of the agreement to all MLS players. The players recently completed voting on the agreement, with 84% voting in favor of ratification.

“We are pleased to announce that our members have ratified the agreement,” said Bob Foose, the Union’s Executive Director. “The process of negotiating this agreement was long and challenging, but we were able to make real improvements for players, and we look forward to turning our attention back to the continued development of the sport and the league.”

The following are some of the key points of the agreement, which will run through the 2014 season:

- **GUARANTEED CONTRACTS:** All players who are at least 24 years old with three years of MLS service will have guaranteed contracts. As a result, for the first time in League history, the majority of its players will have guaranteed contracts.
- **PLAYER MOVEMENT:** The League will establish a re-entry draft (the “Re-Entry Draft”) for players who are out of contract, ending the system where teams retained rights to players indefinitely. Although the specific parameters of the Re-Entry Draft are being finalized, it will address players in each of the following categories:

- Option Not Exercised

A player who is at least 23 years old with three years of MLS service and whose option is not exercised may choose to enter the Re-Entry Draft and be made available to all clubs at his option salary. If the player is not selected in the Re-Entry Draft and subsequently re-signs with the league, he will be made available to all teams through waivers, with his prior team at the bottom of the priority list.

- Contract Terminated

A player who is at least 22 years old with one year of MLS service and who is asked to take a pay cut after contract termination will be placed on waivers and made available to all clubs at his current salary. If the player is not selected, his former team will no longer have any rights to him.



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- Contract Expiration

A player who is at least 30 years old with eight years of MLS service and whose contract has expired may choose to enter the Re-Entry Draft unless his team makes him a qualified offer, which must be equal to at least 105% of his last salary. If he enters the Re-Entry Draft, the player will be made available to all clubs at a salary equal to 105% of his salary in the final year of his contract.

A player who is at least 25 years of age with at least four years of MLS service and whose contract has expired may choose to enter the Re-Entry Draft unless his team offers him a base salary of at least as much as the base salary paid to him in the last year of his contract. If he enters the Re-Entry draft, the player will be made available to all clubs at a salary equal to his salary in the final year of his contract.

- **SALARY BUDGET:** The salary budget will increase from \$2.315 million per club in 2009 to \$2.55 million in 2010 (10.15%) and will increase by roughly 5% per year thereafter, as follows: 2011 – \$2.675 million; 2012 – \$2.81 million; 2013 – \$2.95 million; 2014 – \$3.1 million. In addition, salary budget and allocation rules are now locked in under the agreement.
- **MINIMUM SALARIES:** The minimum salary for senior roster players will increase from \$34,000 in 2009 to \$40,000 in 2010 (17.64%) and will increase by roughly 5% per year thereafter, as follows: 2011 – \$42,000; 2012 – \$44,000; 2013 – \$46,500; 2014 – \$48,500.
- **OPTIONS IN PLAYER CONTRACTS:** For the first time, there will be a limit on the number of unilateral options that may be contained in a player's contract. For players who are at least 25 years old with 4 years of MLS service when their contract is signed, any new contract may contain no more than two years of options. New contracts for all other players may have no more than 3 years of options.
- **BONUSES FOR WINS AND EXHIBITIONS:** The agreement includes an increased package of bonuses for wins in MLS games and international tournaments as well as appearance fees for exhibition games.
- **PLAYER BENEFITS:** The agreement includes a package of benefits that include increases in 401(k) contributions by the league, termination pay, appearance fees, per diem when traveling, and relocation expense reimbursement, as well as an increase in time off for players.
- **RESERVE DIVISION:** A joint labor-management committee will be formed to study the re-launch of a reserve division. In the event rosters are expanded to facilitate this re-launch, the minimum salaries for additional players beyond the first 24 per club will be as follows, with additional bonuses for players who appear in a first-team game: 2010 – \$31,250; 2011 – \$32,600; 2012 – \$33,750; 2013 – \$35,125; 2014 – \$36,500.

ABOUT THE MAJOR LEAGUE SOCCER PLAYERS UNION

The Major League Soccer Players Union, headquartered in Bethesda, Maryland, is the exclusive bargaining representative for all Major League Soccer players. For more information about the Players Union, log on to its website at www.mlsplayers.org or contact Neil Hare at (202) 393-2935 or nehare@globeviz.com.