UNITED STATES SOCCER FEDERATION PROFESSIONAL LEAGUE STANDARDS

I. <u>General Requirements for All Professional Leagues (Additional Specific Division Standards</u> Listed Below):

a. Composition; Play

- i. League must determine a champion each year based on seasonal play or by means of a post-season playoff tournament.
- ii. League playing rules must comply with all relevant FIFA guidelines and Laws of the Game.

b. Markets; Stadia; and Fields

- i. At least 75 percent of the league's teams must be based in the United States.
- ii. League stadiums must meet the following parameters:
 - 1. All stadiums/arenas must have controllable ingress/egress.
 - 2. All outdoor leagues: Playing surfaces for all teams must be at least 70 yards by 110 yards and be FIFA-approved.

c. Coaches; Referees

- i. The coaches of each of the league's teams must hold a USSF "A" coaching license (or equivalent from the appropriate federation) within two years of their appointment.
- ii. All games played by league teams in the United States must be refereed by Federation-licensed or approved referees assigned pursuant to league-specific policies set forth by the Federation, if any.

d. Financial Viability

- i. As specified for each division, the league must require each team to post with the league or, if so directed, with the Federation, an adequate performance bond or other security to secure the performance of the teams' obligations (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for the current season. In the case of a single-entity league, the league must provide, or demonstrate that it has, adequate security to ensure the performance of the league's obligations for the current season.
- ii. Any new team principal owner must meet with Federation staff regarding the responsibilities of owning a team prior to the team's participation in the league. In the case of a new league, each team principal owner in the new league and the senior league personnel must meet with Federation staff on an individual or group basis, as required by the Federation.

- iii. The league will furnish to the Federation prompt written notice of the following (and, in any event, within five business days of the league obtaining knowledge thereof):
 - any violation of these Standards, specifying the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto;
 - the filing or commencement of, or any written threat or notice of intention
 of any person to file or commence, any action, suit, litigation or proceeding,
 whether at law or in equity or by or before any governmental authority,
 against the league or one or more teams in the league that could
 foreseeably result in a Material Adverse Effect.
 - 3. any development that has resulted in, or could foreseeably result in, a Material Adverse Effect.
 - 4. "Material Adverse Effect" shall mean (a) a material adverse change in or effect on the business, condition (financial or otherwise), results of operations, assets or liabilities of the league and/or its teams, individually or taken as a whole; (b) the ability of the league or its teams to perform any of its obligations under these Standards; or (c) the ability of the league or its teams to meet any of their financial obligations.

e. League Office

- i. League must have a central office that is open during regular business hours year round.
- ii. League must have a full-time employee who handles the responsibilities of a chief executive officer or commissioner.
- iii. League must have an active publicity/public relations program.
- iv. League must have an active marketing and sponsorship program.
- v. League must have a director of officials or, with the Federation's approval, may delegate such function to the Federation.
- vi. League must have a professional registrar.
- vii. League must have a disciplinary body or an executive group to review misconduct.
- viii. League must have an executive committee.

f. Media

- i. League and each league team must produce an annual media guide.
- ii. League must generate and disseminate weekly statistical reports and regular press releases.
- iii. League or its teams must produce a line-up card or other similar guide for each individual game.

g. Team Organization

 Each team must have individuals handling responsibilities of the following positions: general manager, director of marketing/sales, director of communications/media relations, director of promotions/community relations, director of game operations,

- head coach, assistant coach, trainer, ticketing manager, finance director, and clerical staff.
- ii. Each team must demonstrate its on-going commitment to the promotion of soccer at all levels in its home market.
- iii. The league shall impose limitations on each team, set from time to time by the Federation, regarding the types of players that may be listed on the roster.
- iv. No owner may exercise control over more than one team in a division in such a way that the integrity of any game or competition would be jeopardized or appear to be jeopardized. Effective on December 31, 2014, no owner may exercise control over more than one team in a division. A "single-entity" league must have separate and distinct individuals or organizations in charge of each team's management and operations.

h. Relationship with Federation

- i. League must apply to become a member of the Federation and, once it has done so, thereafter remain in good standing with the Federation. As part of the application process, the league must pay reasonable costs the Federation may incur for any review of the financial viability of the league and its teams.
- ii. Each team in the league must be in good standing with the Federation (if the team is based in the United States) or with the applicable national federation (if the team is based outside of the United States), with CONCACAF and with FIFA.
- iii. League must pay all applicable Federation fees and dues on a timely basis.
- iv. League must submit to the Federation an annual report setting forth, in reasonable detail, the status of its compliance with these Standards, including team and league financial information, steps being taken to increase league awareness, long and short term goals for the league, previous year attendance numbers and gate reports, and a description of how each team in the league is demonstrating its commitment to the promotion of soccer in its home market and the development of players at the youth level.
- v. League and/or its teams must release its U.S. players requested to play on the U.S. national teams and shall actively support the U.S. national team programs.
- vi. League and/or its teams must register all players with the Federation on a timely basis.
- vii. Federation shall have the right to review any financial information, books and records of the league and any of its teams, including any audits conducted by either the league or any of its teams. Federation shall have the right to require an independent audit at its own expense of the league or any of its teams. In the event such an independent audit establishes material irregularities, the cost of the audit shall be paid by the league or team, as applicable.
- viii. League must have a code of conduct that is signed by all teams and players (or in the case of players a Collective Bargaining Agreement that includes a code of conduct that binds all players in the league).
- ix. Teams shall timely provide accurate attendance figures and gross gate reports as requested by the Federation.
- x. A team and the league shall notify the Federation if the team has payables *overdue* by thirty (30) days or more for any of the team's players, its stadium authority, the league or any of the team's key vendors.

i. Waiver Procedures

- i. League may request a temporary waiver from compliance with a Standard. Any such request must be made in writing to the Federation and explain in detail (a) the Standard for which a waiver is sought; (b) the reasons why a waiver is necessary; and (c) steps being taken to ameliorate the need for the waiver in the future. Waivers are only good for one year.
- ii. Waiver requests will only be granted for good cause shown by the U.S. Soccer Board of Directors.

j. <u>Amendments</u>

i. Any existing league shall have three (3) years from the date it receives any amendment to these Standards to come into compliance with any amendments to these Standards unless the U.S. Soccer Board of Directors specifically informs the league that a shorter compliance period is required to protect the viability of the existing league.

II. <u>Division I Men's Outdoor League:</u>

a. Composition; Play

- i. League must have a minimum of 12 teams to apply. By year three, the league must have a minimum of 14 teams.
- ii. U.S.-based teams must participate in all representative U.S. Soccer and CONCACAF competitions for which they are eligible.

b. Markets; Stadia; and Fields

- U.S.-based teams must be located in at least the Eastern, Central and Pacific time zones in the continental United States. (These three time zones are required because the majority of the large population centers are located in these time zones.)
- ii. At least 75 percent of the league's teams must play in metropolitan markets of at least 1,000,000 persons.
- iii. League stadiums must meet the following parameters:
 - 1. All stadiums/arenas must be enclosed.
 - 2. All league stadiums must have a minimum seating capacity of 15,000.
- iv. Not later than 180 days prior to the start of each season, each team shall have a lease for at least one full season with its home stadium.

c. Financial Viability

i. League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of one million US dollars (US \$1,000,000), or readily-available league funds representing such amount. The maximum amount of such funds for any league shall be twenty million US dollars (US \$20,000,000) and will be used to cover the costs of the teams' operations

- (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for five years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form satisfactory to the Federation. In addition, each team must have and its governing legal documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least forty million US dollars (US \$40,000,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. The principal owner, together with all other owners, must have a combined individual net worth of at least seventy million US dollars (US \$70,000,000) exclusive of the value of ownership interests in the league or team and primary personal residences. Federation shall have the right to require an independent audit to establish that the team meets these net worth requirements; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.

d. Media

 League must have broadcast or cable television contract(s) that provide(s) for the telecasting of all regular season games as well as the championship game or series.
 For clarity, high-quality internet streaming of regular season games satisfies this requirement.

e. Team Organization

- i. All of the required positions set forth in Section I(g) must be filled by full-time staff year round.
- ii. Each U.S.-based team must demonstrate a commitment to a player development program. This requirement may be satisfied by supporting either an amateur or professional reserve team competing in a USSF-sanctioned league or by the league itself.
- iii. Each U.S.-based team must maintain teams and a program to develop players at the youth level. This requirement may be satisfied by fielding teams in a Federation academy program.

f. League Operations

i. In addition to the required positions set forth in Section I(e) filled by full-time staff, the league office must have full-time staff performing the functions of a chief operations officer, a chief financial officer and a director of marketing/public relations on a year-round basis.

III. <u>Division I Women's Outdoor League:</u>

a. Composition; Play

- i. League must have a minimum of eight teams to apply. By year four, the league must have a minimum of 10 teams.
- ii. U.S.-based teams must participate in all representative CONCACAF competitions for which they are eligible.

b. Markets; Stadia; and Fields

- i. In the first year, U.S.-based teams must be located in at least two different time zones in the continental United States. By year six, U.S.-based teams must be located in at least the Eastern, Central and Pacific time zones. (These three time zones are required because the majority of the large population centers are located in these time zones.)
- ii. At least 75 percent of the league's teams must play in metropolitan markets of at least 750,000 persons.
- iii. All league stadiums must have a minimum seating capacity of 5,000.
- iv. Not later than 120 days prior to the start of each season, each team shall have a lease for at least one full season with its home stadium.

c. Financial Viability

- i. League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of one hundred thousand US dollars (US \$100,000), or readily-available league funds representing such amounts. The funds will be used to cover the costs of the teams' operations (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for three years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form satisfactory to the Federation. In addition, each team must have and its governing legal documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least fifteen million US dollars (\$15,000,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. The principal owner, together with all other owners, must have a combined individual net worth of at least twenty five million US dollars (US \$25,000,000) exclusive of the value of ownership interests in the

league or team and primary personal residences. Federation shall have the right to require an independent audit to establish that the team meets these net worth requirements; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.

d. Team Organization

i. All of the required positions set forth in Section I(g) must be filled by full-time staff year-round.

e. League Operations

i. In addition to the required positions set forth in Section I(e) filled by full-time staff, the league office must have full-time staff performing the functions of a chief operations officer and/or a chief financial officer and a director of marketing/public relations on a year-round basis.

IV. <u>Division II Men's Outdoor League:</u>

a. Composition; Play

- i. League must have a minimum of eight teams to apply. By year three, the league must have a minimum of 10 teams. By year six, the league must have a minimum of 12 teams.
- ii. U.S.-based teams must participate in all representative CONCACAF competitions for which they are eligible.

b. Markets; Stadia; and Fields

- i. In the first year, U.S.-based teams must be located in at least two different time zones in the continental United States. By year six, U.S.-based teams must be located in at least the Eastern, Central and Pacific time zones. (These three time zones are required because the majority of the large population centers are located in these time zones.)
- ii. At least 75 percent of the league's teams must play in metropolitan markets of at least 750,000 persons.
- iii. All league stadiums must have a minimum seating capacity of 5,000.
- iv. Not later than 120 days prior to the start of each season, each team shall have a lease for at least one full season with its home stadium.

c. Financial Viability

i. League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of seven hundred fifty thousand US dollars (US \$750,000), or readily-available league funds representing such amounts. The maximum amount of such funds for any league shall be fifteen million US

- dollars (US \$15,000,000) and will be used to cover the costs of the teams' operations (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. If the performance bonds or similar instruments are joint and several amongst the teams and the league, the amounts may be reduced to five hundred thousand US dollars (US \$500,000) per team with a maximum of ten million US dollars (US \$10,000,000) in aggregate. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for three years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form satisfactory to the Federation. In addition, each team must have and its governing documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least twenty million US dollars (US \$20,000,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. Federation shall have the right to require an independent audit to establish that the principal owner's net worth meets this requirement; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.

d. Team Organization

i. All of the required positions set forth in Section I(g) must be filled by full-time staff vear-round.

V. Division II Women's Outdoor League:

a. <u>Composition; Play</u>

- i. League must have a minimum of six teams to apply. By year three, the league must have a minimum of 8 teams.
- ii. U.S.-based teams must participate in all representative CONCACAF competitions for which they are eligible.

b. Markets; Stadia; and Fields

- i. A majority of the league's teams must play in metropolitan markets of at least 500,000 persons.
- ii. All league stadiums must have a minimum seating capacity of 2,000.
- iii. Not later than 120 days prior to the start of each season, each team shall have a lease for at least one full season with its home stadium.

c. Financial Viability

- i. The League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of fifty thousand US dollars (US \$50,000), or readily-available league funds representing such amounts. The funds will be used to cover the costs of the teams' operations (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for three years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form satisfactory to the Federation. In addition, each team must have and its governing legal documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least seven million five hundred thousand US dollars (US \$7,500,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. Federation shall have the right to require an independent audit to establish that the principal owner's net worth meets this requirement; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.

d. Team Organization

i. All of the required positions set forth in Section I(g) must be filled by full-time staff during the season.

VI. Division III Men's Outdoor League:

a. Composition; Play

- i. League must have a minimum of 8 teams to apply.
- ii. U.S.-based teams must participate in the U.S. Open Cup.

b. Stadia

i. All league stadiums must have a minimum seating capacity 1,000.

c. Financial Viability

i. League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of two hundred and fifty thousand US dollars (US \$250,000), or readily-available league funds representing such amounts. The funds will be used to cover the costs of the teams' operations

- (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for three years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form satisfactory to the Federation. In addition, each team must have and its governing legal documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least ten million US dollars (US \$10,000,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. Federation shall have the right to require an independent audit to establish that the principal owner's net worth meets this requirement; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.

VII. Division III Women's Outdoor League:

a. Composition; Play

- i. League must have a minimum of 6 teams to apply. By year three, the league must have a minimum of 8 teams.
- ii. Teams must participate in Women's U.S. Open Cup, if applicable.

b. Stadia

i. All league stadiums must have a minimum seating capacity of 1,000.

c. Financial Viability

- i. League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of twenty thousand US dollars (US \$20,000), or readily-available league funds representing such amounts. The funds will be used to cover the costs of the teams' operations (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for three years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form

satisfactory to the Federation. In addition, each team must have and its governing documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least five million US dollars (US \$5,000,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. Federation shall have the right to require an independent audit to establish that the principal owner's net worth meets this requirement; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.

VIII. <u>Indoor Professional League:</u>

a. Composition; Play

i. League must have a minimum of 6 teams to apply. By year three, the league must have a minimum of 8 teams.

b. Stadia and Fields

- i. League stadiums must meet the following parameters:
 - 1. All stadiums/arenas must be enclosed.
 - 2. Playing surfaces for all teams must be at least 75 feet at their widest point and 175 feet at their longest point.
- ii. All league stadiums must have a minimum seating capacity of 1,000.

c. Financial Viability

- i. League must demonstrate adequate financial viability to ensure continued operation on a season-by-season basis either in the form of a performance bond or similar instrument for each team in the amount of twenty thousand US dollars (\$20,000), or readily-available league funds representing such amounts. The funds will be used to cover the costs of the teams' operations (including, without limitation, player and staff salaries and wages, stadium lease commitments and third party vendor obligations in addition to commitments by each team to the league) for a season, should that become necessary. Any team whose performance bond is used during the season will be required to replenish it at least 120 days prior to the next season.
- ii. Each team ownership group must demonstrate the financial capacity to operate the team for three years. As part of the process of demonstrating financial capacity, each ownership group must provide detailed financial history (if applicable) and projections (including a detailed budget) for the team to the Federation in a form satisfactory to the Federation. In addition, each team must have and its governing legal documents must designate one principal owner with a controlling interest who owns at least 35% of the team and has authority to bind the team. Such principal owner must have an individual net worth of at least three million US dollars (US \$3,000,000) exclusive of the value of his/her ownership in the league or team and his/her primary personal residence. Federation shall have the right to require an

independent audit to establish that the principal owner's net worth meets this requirement; the cost of such audit shall be the responsibility of the team or league. The Federation will take reasonable steps to protect from disclosure and limit access to financial information provided under this section.