IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PIOTR NOWAK Plaintiff, v. MAJOR LEAGUE SOCCER, LLC AND MAJOR LEAGUE SOCCER PLAYERS UNION Defendants.	Civil Action No. 2:14-cv-03503-MAM Honorable Judge Mary A. McLaughlin

DEFENDANT MAJOR LEAGUE SOCCER, LLC'S MOTION TO DISMISS

Defendant Major League Soccer, LLC ("Defendant" or "MLS") hereby submits its Motion to Dismiss, for lack of subject-matter jurisdiction pursuant to Federal Rule of Civil Procedure 12(b)(1), and for failure to state a claim upon which relief can be granted under Federal Rule of Civil Procedure 12(b)(6). Fed.R.Civ.P. 12 (b)(1), (b)(6). In support of its Motion, Defendant states as follows:

1. Plaintiff Piotr Nowak ("Plaintiff" or "Nowak") filed this action in this Court on June 12, 2014. The Complaint alleges that MLS intended to harm Nowak by (i) interfering with his Manager Employment Agreement ("Agreement") when it demanded his termination with Pennsylvania Professional Soccer LLC (the "Philadelphia Union"), and (ii) interfering with prospective contractual relationships by directing other MLS Clubs not to employ Nowak. (Compl. ¶¶ 38, 39, 42, 43.) The Complaint further alleges that MLS was not privileged to interfere with the Agreement and that a direct and proximate cause of the interference was a loss of the remaining years of Nowak's Agreement with the Philadelphia Union as well as being

"[o]stracized from Major League Soccer . . . and deprived of the opportunity to earn a living." (Compl. ¶ 41, 43.)

2. The Complaint should be dismissed in its entirety because both Plaintiff and MLS are citizens of the Commonwealth of Pennsylvania, and thus, complete diversity – the asserted basis for this Court's jurisdiction–does not exist under 28 U.S.C. § 1332. Therefore, this Court lacks subject-matter jurisdiction.

4. The Complaint should be dismissed because Plaintiff's tortious interference claims are grounded in the Agreement, and therefore, are barred by the "gist of the action" doctrine under Pennsylvania law.

5. Even if Plaintiff's claims were not otherwise barred, the Complaint should be dismissed for failure to state a tortious interference claim under Pennsylvania law because Plaintiff cannot establish the absence of privilege or justification, or likelihood of a prospective contract but for the alleged interference.

7. Defendant incorporates by reference its Memorandum of Law in Support of Defendant's Motion to Dismiss as further support for this Motion.

8. Defendant respectfully requests that this Court schedule oral argument on the instant Motion.

WHEREFORE, Defendant respectfully requests that this Court grant its Motion to Dismiss this action, and grant other such relief as this Court deems proper.

Dated: April 20, 2015

Respectfully submitted,

/s/Amy R. Covert
Amy R. Covert
Howard Z. Robbins*
Nayirie Kuyumjian*
Proskauer Rose LLP

Eleven Times Square
New York, NY 10036
Telephone: (212) 969-3000
acovert@proskauer.com
hrobbins@proskauer.com
nkuyumjian@proskauer.com

Attorneys for Defendant Major League Soccer, LLC

**Admitted Pro Hac Vice*

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PIOTR NOWAK Plaintiff, v. MAJOR LEAGUE SOCCER, LLC AND MAJOR LEAGUE SOCCER PLAYERS UNION Defendants.	Civil Action No. 2:14-cv-03503-MAM Honorable Judge Mary A. McLaughlin

CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served with a copy of the foregoing document via the Court's CM/ECF system on this 20th day of April, 2015.

/s/ Amy R. Covert
Amy R. Covert

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PIOTR NOWAK Plaintiff, v. MAJOR LEAGUE SOCCER, LLC AND MAJOR LEAGUE SOCCER PLAYERS UNION Defendants.	Civil Action No. 2:14-cv-03503-MAM Honorable Judge Mary A. McLaughlin

ORDER

Upon consideration of Defendant Major League Soccer, LLC's Motion to Dismiss and accompanying Memorandum of Law in Support of Major League Soccer, LLC's Motion to Dismiss, and any opposition and reply, it is this ___day of _____20__, ORDERED that:

1. Defendant Major League Soccer, LLC's Motion to Dismiss is GRANTED; and
2. Plaintiff's Complaint against Defendant Major League Soccer, LLC is hereby dismissed in its entirety with prejudice.

_____
Honorable Judge Mary A. McLaughlin

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PIOTR NOWAK, Plaintiff, v. MAJOR LEAGUE SOCCER, LLC AND MAJOR LEAGUE SOCCER PLAYERS UNION, Defendants.	Civil Action No. 2:14-cv-03503-MAM Honorable Judge Mary A. McLaughlin

MEMORANDUM OF LAW IN SUPPORT
OF DEFENDANT MAJOR LEAGUE SOCCER, LLC'S MOTION TO DISMISS

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES

Page(s)

CASES

STATUTES AND OTHER AUTHORITIES

PRELIMINARY STATEMENT

Defendant Major League Soccer, LLC ("MLS" or the "League") respectfully submits this memorandum of law in support of its motion to dismiss Plaintiff Piotr Nowak's ("Plaintiff" or "Nowak") Complaint in its entirety with prejudice.

The Complaint—asserting claims of tortious interference with Plaintiff's Manager Employment Agreement (attached as Exhibit A to the Complaint) (the "Agreement") with Pennsylvania Professional Soccer, LLC (the "Philadelphia Union") and interference with prospective contractual relationships with other MLS teams—should be dismissed because (1) this Court lacks subject-matter jurisdiction due to lack of diversity among the parties as required by 28 U.S.C. § 1332; (2) Plaintiff's tortious interference claim is barred by the "gist of the action" doctrine as it is a disguised breach of contract claim against MLS, and Plaintiff explicitly acknowledged in his employment agreement that MLS had the authority to terminate Plaintiff's employment for conduct that it determined to be detrimental to the interests of the League or his team; (3) even if viewed as a tort claim, MLS's alleged directive to terminate Plaintiff's employment was privileged and justified under Pennsylvania law and cannot support a tortious interference claim; and (4) Plaintiff's claim of interference with prospective contractual relationships is based on the "mere hope" of such a contract and Plaintiff has not shown the "reasonable likelihood" of such a contract, as required by Pennsylvania law.

More specifically, the Complaint should be dismissed because this Court lacks diversity jurisdiction. Plaintiff is a citizen of Pennsylvania. (Compl. ¶ 1.) As a limited liability company, MLS is a citizen of each of the states in which its members are citizens. Therefore, MLS is a citizen of Pennsylvania because one of its members, Pennsylvania Professional Soccer, LLC, is also a citizen of Pennsylvania. (Point I.)

Even if the Complaint were not subject to dismissal based on the absence of subject-matter jurisdiction, all of Plaintiff's claims should be dismissed because Plaintiff's tortious interference claims are grounded in the Agreement and are, therefore, barred by the "gist of the action" doctrine under Pennsylvania law. Plaintiff explicitly agreed that MLS had the power to take the actions about which he now complains, subject only to the League's internal appeals process. Any dispute regarding MLS's exercise of those powers is in the nature of a breach of contract claim and cannot be twisted into a tort claim. (Point II.)

Even if this Court were to view Plaintiff's claims through the prism of a tortious interference claim (which it should not), the Complaint should be dismissed because Plaintiff has not alleged (and cannot allege) facts sufficient to establish that MLS's actions were not privileged or justified. Having explicitly agreed in his contract to comply with rules of the League and his team and to give MLS the sole discretion to determine whether he violated those rules and to impose discipline (including termination), Plaintiff cannot show that MLS's exercise of that authority was not privileged or justified. Even absent Plaintiff's explicit agreement as to MLS's authority, MLS's motives—to protect players' health and safety following an investigation prompted by the players' union's complaint that revealed that Plaintiff had conducted unsafe, if not abusive, training sessions—satisfy the factors considered by Pennsylvania courts in assessing privilege and justification. (Point III.A.)

Finally, Plaintiff's claim for tortious interference with potential contractual relations should be dismissed because he has not alleged facts showing a reasonable likelihood of a contract with other MLS Teams. Plaintiff had only the "mere hope" of such a contract, which is insufficient as a matter of law. Additionally, the same justifications for MLS to direct Plaintiff's

termination from the Philadelphia team necessarily support preventing him from working in the same role at another MLS team. (Point III.B.)

STATEMENT OF FACTS

I. The Parties

Major League Soccer, LLC is a Delaware limited liability company currently composed of 20 Member Teams in connection with the operation and management of a professional soccer league. (Compl. ¶ 2); *Fraser v. Major League Soccer, LLC*, 284 F.3d 47, 53 (1st Cir. 2002). Each Team within MLS is owned by MLS but is operated by an owner-operator that is a member of Major League Soccer, LLC. Pennsylvania Professional Soccer, LLC is the owner-operator that operates the Philadelphia Union MLS team, and is a Member of Major League Soccer, LLC. (*See* Fifth Amended and Restated Limited Liability Company Agreement of Major League Soccer, LLC, dated January 3, 2012, attached as Exhibit 1, at 1, Exh. A.) Pennsylvania Professional Soccer, LLC itself is a Delaware Limited Liability Company, and has its principal place of business at 2501 Seaport Drive, Switch House Suite 500, Chester, PA 19013. (Exhibit 1, at Exh. A.) Nick Sakiewicz, a member of Pennsylvania Professional Soccer, LLC, is a citizen of the Commonwealth of Pennsylvania.

Plaintiff, a citizen of the Commonwealth of Pennsylvania, was employed as the Manager of the Philadelphia Union pursuant to the Manager Employment Agreement from June 1, 2009 until his termination on June 13, 2012. (Compl. ¶ 1, 6, 10.)

II. Plaintiff's Employment Agreement

Nowak entered into the Manager Employment Agreement with the Philadelphia Union on or about June 1, 2009.[1] The Agreement covered a broad range of terms of Nowak's

[1] By letter dated December 20, 2011, the Agreement was extended for an additional term through December 31, 2015. (Compl., Exhibit B.)

employment, including provisions concerning his duties, compensation and benefits. The Agreement also provided that Plaintiff is bound not only to his team's rules but also to MLS policies and rules and other governing documents, and that he would be subject to the jurisdiction of the MLS Commissioner and the League to determine, in his/its sole discretion, whether Plaintiff had violated those policies or had engaged in conduct detrimental to the interests of the League or the team, or had engaged in conduct detrimental to the image or reputation of the League, team or the game of soccer. The Agreement also empowered the League to take disciplinary action for such violations up to and including Nowak's termination, subject only to any appeals process in the League Rules. (Compl., Exhibit A.)

More specifically, Section I of the Agreement provided:

> (B) Manager covenants and agrees throughout the Term he will . . . (4) ***obey and comply with all Team rules, regulations, policies and guidelines ("Team Rules") applicable to the coaching staff*** (copies of which will be made available to the Manager) ***and all constitutions, bylaws, rules, regulations, policies, guidelines, directives, instructions, rulings, orders and agreements ("League Rules") of the League, its Commissioner*** and Soccer United Marketing, LLC ("SUM") applicable to head coaches and directors of soccer operations of teams in the League . . . .
>
> (C) ***Manager expressly acknowledges that Manager is subject to the jurisdiction of the Commissioner of the League and that the Commissioner*** (subject to any due process and appeals process provided for in League Rules) and Club (subject to Paragraph XIII) may impose sanctions and other disciplinary measures, including, without limitation, suspending Manager (with or without pay) and imposing fines (which may be deducted from amounts payable to Manager pursuant to Paragraph IV), ***for violations of this Agreement or for actions (including on-field actions) that materially adversely affect the integrity or reputation of the League or the Team***. Without limiting the foregoing, Manager expressly acknowledges and agrees that he shall be subject to discipline by the League (subject to any due process and appeals process provided for in League Rules) or Club (subject to Paragraph XIII), including, without limitation, fines, suspension (with or without pay) or termination of this Agreement, if: . . .
>
> > (v) he ***makes a statement or engages in conduct*** (including, without limitation, criticism of officiating and League disciplinary rulings) that is ***materially prejudicial to the interests of the League or the Team or materially detrimental to the public image and/or reputation of the League, the Club and/or the game of soccer***.

> ***The League (subject to any due process and appeals process provided for in League Rules)*** or Club (subject to Paragraph XIII), as applicable, ***shall determine, in good faith and its sole discretion, whether Manager has engaged in any of the above-listed behaviors.***

(Compl. Exhibit A,¶ I(B), (C)) (emphasis added).

III. Nowak's Termination on June 13, 2012

On June 13, 2012, Pennsylvania Professional Soccer, LLC terminated Nowak's employment after an investigation was conducted stemming from a "disputed training exercise" involving Philadelphia Union players. (Compl. ¶ 25, 28.) The termination letter of that date stated the reasons for his termination, including:

- various material breaches of League Rules (including the League's Collective Bargaining Agreement), including physical confrontations with players and officials during a Team game resulting in a fine and multi-game suspension, interfering with the rights of Team players to contact the player's union with concerns, subjecting Team players to inappropriate hazing activities and engaging in behavior that put the health and safety of Team players at risk.

- material breaches including . . . making disparaging remarks to third parties regarding Club, its management and its ownership.

- demonstrating gross negligence, including putting the health and safety of Team players at risk by requiring injured players to participate in strenuous training activities, not allowing players to have water during such activities despite temperatures in excess of 80 degrees, ignoring the advice of the head athletic trainer regarding which players are healthy enough to play in games and participate in training sessions and creating an atmosphere where medical issues should be hid from medical staff and not treated.

- committing actions that have reflected in a materially adverse manner on the integrity, reputation and goodwill of Club and the Team (in the eyes of the League, U.S. soccer, current and potential Team players, sponsors and fans), including the unusually harsh treatment of players described above, actions during Team games that may have resulted in fines and suspensions, the multiple breaches of League Rules and a discussion (by you or your agent on your behalf) with the head of U.S. Soccer that was in very poor taste and left a very bad impression with U.S. Soccer.

- multiple incidents of insubordination with respect to the Club's Chief Executive Officer. . .

- various material breaches of Team Rules, including creating a hostile work environment and culture of fear for Team players and other front office employees by orally berating and physically intimidating fellow employees.

(Compl., Exhibit D.)

IV. The Complaint

Plaintiff filed this action on June 12, 2014. The Complaint alleges that Plaintiff's termination was "precipitated by an investigation demanded by the Major League Soccer Players Association and conducted by the Major League Soccer. . ." that arose out of a "disputed training exercise." (Compl. ¶¶ 25, 28.) The Complaint further alleges that during an arbitration proceeding against Philadelphia Union concerning Plaintiff's termination, Jay Sugarman, President and Owner of the Philadelphia Union, testified that MLS directed the team to terminate Plaintiff's employment. (Compl. ¶ 27.) MLS and the players' labor union are alleged to have demanded Plaintiff's termination based on material breaches of his Manager Employment Agreement, including violation of League Rules related to putting the health and safety of players at risk during training. (Compl.¶ 27, 29, Exhibit A, D.)

The Complaint alleges that MLS intended to harm Plaintiff by (i) interfering with the Agreement when it demanded his termination with the Philadelphia Union, and (ii) interfering with prospective contractual relationships by directing other Clubs not to employ Nowak. (Compl. ¶¶ 38, 39, 42, 43.)

The Complaint further alleges that MLS was not privileged to interfere with the Agreement and that a direct and proximate cause of the interference was a loss of the remaining years of Nowak's Agreement with the Philadelphia Union as well as being "[o]stracized from Major League Soccer . . . and deprived of the opportunity to earn a living." (Compl. ¶ 41, 43.)

The Complaint does not allege that the League or its Commissioner acted outside the scope of their authority in taking or recommending action regarding Plaintiff's employment. The Complaint also does not assert that Plaintiff invoked the appeals process under the League Rules.

ARGUMENT

I. Plaintiff's Claims Should Be Dismissed Because This Court Lacks Subject-Matter Jurisdiction.

Plaintiff's claims against MLS should be dismissed because this Court lacks subject-matter jurisdiction over the Complaint based on diversity of citizenship pursuant to 28 U.S.C. § 1332. (Compl. ¶ 4.) Jurisdiction based on § 1332 requires complete diversity of citizenship. *Harper v. Fox* Case No. 06-01461, 2006 WL 2433553, at *1 (E.D. Pa. Aug. 18, 2006). "The requirement of complete diversity means that 'jurisdiction is lacking if any plaintiff and any defendant are citizens of the same state.'" *Id.* (citing *Mennen Co. v. Atl. Mut. Ins. Co.*, 147 F.3d 287, 290 (3d Cir. 1998). The plaintiff has the burden of establishing subject-matter jurisdiction. *Carpet Grp. Int'l v. Oriental Rug Imps. Ass'n*, 227 F.3d 62, 69 (3d Cir. 2000) (*citing Mortensen v. First Fed. Sav. & Loan Ass'n*, 549 F.2d 884, 891 (3d Cir. 1977)). A court may consider evidence outside of the pleadings in reviewing a factual challenge to its subject-matter jurisdiction. *Gould Elecs. Inc. v. U.S.*, 220 F.3d 169, 176 (3d Cir. 2000).

Plaintiff asserts that he is a citizen of the Commonwealth of Pennsylvania and that Defendant Major League Soccer, LLC has its principal place of business in New York. (Compl. ¶ 1, 2, 4). Plaintiff overlooks the fact that MLS is a limited liability company and that one of its members is, through its ownership, a citizen of Pennsylvania. The Fifth Amended and Restated Limited Liability Company Agreement of Major League Soccer, LLC, dated January 3, 2012 expressly states that Pennsylvania Professional Soccer, LLC is a member to that agreement. (*See* Exhibit 1 at 1, Exhibit A.) Under Third Circuit law, "the citizenship of an LLC is

determined by the citizenship of each of its members." *Zambelli Fireworks Mfg. Co. v. Wood*, 592 F.3d 412, 418 (3d Cir. 2010). Pennsylvania Professional Soccer, LLC is a citizen of Pennsylvania because one of its members is a citizen of Pennsylvania. Accordingly, MLS is itself a citizen of Pennsylvania, which defeats diversity jurisdiction in the instant case as Plaintiff is also a citizen of Pennsylvania. *Harper v. Fox*, Case No. 06-01461, 2006 WL 2433553, at *1; *Zambelli Fireworks Mfg. Co.*, 592 F.3d at 418.

Because there is not complete diversity among the parties, this Court lacks subject-matter jurisdiction over the Complaint and Plaintiff's claims should be dismissed in their entirety.

II. The Complaint Should be Dismissed Because Plaintiff's Tortious Interference Claims Are Disguised Breach of Contract Claims.

Plaintiff's tortious interference with contract claims should be dismissed because his claims stem from and are grounded in the Agreement—which explicitly contemplated termination and other disciplinary actions be taken by MLS—and are barred by Pennsylvania's "gist of the action" doctrine. Under this doctrine, a plaintiff may not assert a tort claim that is simply a disguised contractual claim. The theory of the doctrine has been explained as follows:

> Although they derive from a common origin, distinct differences between civil actions for tort and contractual breach have been developed at common law. Tort actions lie for breaches of duties imposed by law as a matter of social policy, while contract actions lie only for breaches of duties imposed by mutual consensus agreements between particular individuals . . . To permit a promisee to sue his promisor in tort for breaches of contract *inter se* would erode the usual rules of contractual recovery and inject confusion into our well-settled forms of actions.

Hart v. Arnold, 2005 PA Super 328, 884 A.2d 316, 339-40 (Pa. Super. 2005).

To determine whether the "gist of the action" doctrine applies, "[t]he court must ascertain the source of the duties allegedly breached. . . 'In other words, if the duties in question are intertwined with contractual obligations, the claim sounds in contract, but if the duties are collateral to the contract, the claim sounds in tort.'" *Brown & Brown, Inc. v. Cola*, 745 F. Supp.

2d 588, 619–20 (E.D. Pa. 2010) (applying "gist of contract" doctrine to preclude plaintiff's tortious interference claim). Pennsylvania courts have held that the doctrine bars tort claims:

> (1) arising solely from a contract between the parties; (2) where the duties allegedly breached were created and grounded in the contract itself; (3) where the liability stems from a contract; or (4) where the tort claim essentially duplicates a breach of contract claim or the success of which is wholly dependent on the terms of a contract.

Hart, 2005 PA Super 328, 884 A.2d at 339-40; *Integrated Waste Solutions, Inc. v. Goverdhanam*, No. 10-2155, 2010 WL 4910176, at *10 (E.D. Pa. Nov. 30, 2010) (same).

The doctrine is not limited to claims between parties to the contract –Pennsylvania courts have applied the doctrine to claims against defendants who are not parties to the contract at issue where the alleged tort claims involved matters addressed in the contract. For example, the Third Circuit has held that "the gist of the action doctrine bars tort claims against an individual defendant where the contract between the plaintiff and the officer's company created the duties that the individual allegedly breached." *Williams v. Hilton Grp., PLC*, 93 Fed. Appx. 384, 387 (3d Cir. 2004) (applying doctrine to tort claims against negotiator of contract noting alleged misrepresentations concerned contract performance issues covered in the agreement); *Freedom Med., Inc. v. Royal Bank of Canada*, 2005 U.S. Dist. LEXIS 37836 at *24, n.7 (E.D. Pa. Dec. 30, 2005) (granting non-signatories' motion to dismiss tort claim as barred by the "gist of the action" doctrine); *Integrated Waste Solutions, Inc. v. Goverdhanam*, No. 10-2155, 2010 WL 4910176, at *12 (E.D. Pa. Nov. 30, 2010) (same, stating "[g]iven that the alleged contracts between the parties covered the subject matter of [Defendant's] purported misrepresentations, [Defendant's] lack of contractual relationship with Plaintiff does not preclude the Court's application of the gist of the action doctrine.").

Plaintiff ignores the critical fact that MLS's alleged conduct was explicitly permitted under his employment agreement and he asserts a tortious interference with contract claim

against MLS as though the League were not even mentioned in the Agreement. The Complaint alleges that MLS "[d]emanded the termination" of his Agreement with the Philadelphia Union and "[d]irected and/or advised other professional soccer clubs not to employ" him "thus also interfering with Mr. Nowak's prospective contractual relations with Chicago Fire and other MLS soccer teams." (Compl. ¶ 38, 42.) As demonstrated by the clear and unmistakable language of the Agreement, however, MLS had the right to determine—in its sole discretion—whether Plaintiff had engaged in conduct violative of the Agreement and, if so, to take action against him:

- Nowak expressly acknowledged that he was "**[s]*ubject to the jurisdiction of the Commissioner of the League* . ..**" and may be subject to discipline "for violations of this Agreement or for actions (including on-field actions) that ***materially adversely affect the integrity or reputation of the League or the Team***." (Compl. Exhibit A, ¶ IB, IC);

- the Agreement further provides for termination by the League of Plaintiff's employment if Nowak "[makes a statement or engages in conduct that is ***materially prejudicial to the interests of the League or the Team or materially detrimental to the public image and/or reputation of the League, the Club and/or the game of soccer***." (Compl. Exhibit A, ¶ I(C));

- Finally, the Agreement states that "***[t]he League (subject to any due process and appeals process provided for in League Rules)*** or Club (subject to Paragraph XIII), as applicable, ***shall determine, in good faith and its sole discretion, whether Manager has engaged in any of the above-listed behaviors.***" (Compl. Exhibit A,¶ I(C).)

Thus, Plaintiff explicitly agreed that MLS had the right to take the very action about which he now complains, subject only to the League's appeal process. Plaintiff's tort claims alleging that MLS interfered with the Agreement actually arise out of the Agreement and any analysis of Plaintiff's claims depends on an interpretation of the Agreement and whether MLS acted within its stated rights. Plaintiff's claims, at their core, are clearly "[i]ntertwined with contractual obligations" because the duties that Plaintiff breached – to "[e]ngage in conduct" that is not "materially prejudicial to the interests of the League." – were expressly "grounded in the

contract itself." *Hart v. Arnold*, 2005 PA Super 328, 884 A.2d 316, 340 (Pa. Super. 2005); (Compl. Exhibit A, ¶ IC.)

The gist of the action doctrine applies even though MLS is not a direct party to the Agreement because the Agreement expressly states that Plaintiff is subject to the jurisdiction of the League's Commissioner concerning disciplinary violations that "[m]aterially adversely affect the integrity or reputation of the League. . ." *See Integrated Waste Solutions, Inc. v. Goverdhanam*, No. 10-2155, 2010 WL 4910176, at *10 (E.D. Pa. Nov. 30, 2010); (Compl. Exhibit A, ¶ IC.)

Accordingly, Plaintiff's tortious interference with contract claims are plainly an effort to avoid the terms to which Nowak agreed and to reframe his breach of contract allegations as tort claims, which he may not do.

III. Plaintiff's Claims Should Be Dismissed Because Plaintiff Cannot Establish the Absence of Privilege or Justification, or Likelihood of a Prospective Contract But for the Alleged Interference.

Even if Plaintiff's claims were not subject to dismissal based on the gist of the action doctrine, the Complaint should be dismissed because the facts pleaded by Plaintiff cannot establish the "absence of privilege" necessary to support tortious interference claims against MLS. MLS was not a stranger to Nowak's contract. Nowak's contract explicitly acknowledges his being subject to MLS's rules and authority, yet it is the legitimacy of those rules and the exercise of that authority about which he now complains. Having agreed to the importance of those rules, the legitimacy of MLS's motives in taking action to enforce them, and to MLS's authority to terminate his employment if it deemed necessary, Plaintiff cannot show the requisite lack of privilege to support his claims. Indeed, MLS's privilege is plainly stated on the face of the Agreement.

To determine whether a complaint should be dismissed, a court considers whether "'the facts alleged in the complaint, even if true, fail to support the . . . claim.'" *Kost v. Kozakiewicz*, 1 F.3d 176, 183 (3d Cir. 1993) (citing *Ransom v. Marrazzo*, 848 F.2d 398, 401 (3d Cir. 1988)). The plaintiff is required to set forth sufficient information for the court to establish the elements of the claim or at least to allow the court to draw inferences from the facts to establish the elements. *Kost*, 1 F.3d at 183. Although the Court must accept all factual allegations in the complaint as true, "[it is] not required to accept legal conclusions either alleged or inferred . . ." *Id.*

Here, to sustain his state law tortious interference claim, Plaintiff must prove each of the following elements:

> (1) the existence of a contractual or prospective contractual or economic relationship between the plaintiff and a third party; (2) purposeful action by the defendant, specifically intended to harm an existing relationship or intended to prevent a prospective relation from occurring; (3) the absence of privilege or justification on the part of the defendant; (4) legal damage to the plaintiff as a result of the defendant's conduct; and (5) for prospective contracts, a reasonable likelihood that the relationship would have occurred but for the defendant's interference.

Acumed LLC v. Advanced Surgical Servs., Inc., 561 F.3d 199, 212 (3d Cir. 2009) (*citing Brokerage Concepts, Inc. v. U.S. Healthcare, Inc.*, 140 F.3d 494, 530 (3d Cir. 1998)); *Stann v. Olander Prop. Mgmt. Co.*, 2014 U.S. Dist. LEXIS 100013 at *24 (E.D. Pa. July 23, 2014) (motion to dismiss granted for failure to allege the existence of a prospective contractual relationship); *U.S. Claims, Inc. v. Saffren & Weinberg, LLP.*, Case No. 07-0543, 2007 WL 4225536, at *10 (E.D. Pa. Nov. 29, 2007) (motion to dismiss granted for failure to prove tortious interference claim).

In assessing whether a defendant's actions alleged to constitute tortious interference are privileged or justified, Pennsylvania courts look to the Restatement (Second) of Torts § 767, which states that courts are to consider:

> (1) the nature of the actor's conduct; (2) the actor's motive; (3) the interests of the other with which the actor's conduct interferes; (4) the interests sought to be advanced by the actor; (5) the social interests in protecting the freedom of action of the actor and the contractual interests of the other; (6) the proximity or remoteness of the actor's conduct to the interference; and (7) the relations between the parties.

Crivelli v. GMC., 215 F.3d 386, 395 (3d Cir. 2000) (citing Restatement (Second) of Torts § 767); *GE Capital Mortg. Servs. v. Pinnacle Mortg. Inv. Corp.*, 897 F. Supp. 854, 869-870 (E.D. Pa. 1995); *Adler, Barish, Daniels, Levin & Creskoff v. Epstein*, 482 Pa. 416, 433 (Pa. 1978) (same).

Even if this Court were to determine that Plaintiff's claims should be viewed through the lens of a tortious interference claim (which it should not), the same reasons for dismissal under the "gist of the action" doctrine are applicable to Plaintiff's failure to state a claim, *i.e.*, MLS's privilege and justifications for its alleged conduct are embodied in the Agreement itself. In other words, Plaintiff has—in the Agreement—conceded the appropriateness of MLS's conduct and, therefore, cannot state a claim for tortious interference with the Agreement or with prospective contractual relations.

A. Plaintiff Fails To State a Claim for Tortious Interference with the Agreement.

There is no dispute that under Plaintiff's employment agreement MLS was privileged to investigate Plaintiff's conduct and, as it deemed warranted, to discipline Plaintiff for such conduct and regulate his conduct under the Agreement. Plaintiff alleges that MLS terminated Nowak through a directive to the Philadelphia Union based on MLS's investigation that arose from a complaint by the MLSPU. Specifically, the Complaint states that the MLSPU demanded an investigation based on a training exercise involving players overseen by Plaintiff. (Compl. ¶¶ 25, 28.) Nowak's termination letter states that that Nowak was terminated because he was found to have put the health and safety of players at risk, including "requiring injured players to participate in strenuous training activities, not allowing players to have water during such

activities despite temperatures in excess of 80 degrees" in addition to a number of other material breaches of the Agreement. (Compl., Exhibit D.)

These facts, considered together with the express language of the Agreement granting MLS the right to determine and punish conduct detrimental to the League, demonstrate that MLS was privileged and justified to direct the termination of Plaintiff's employment. *See* Section II at 10, *supra*. Under the Agreement, the League's Commissioner has jurisdiction to determine violations of the Agreement and whether Plaintiff's actions "*materially adversely affect the integrity or reputation of the League or the Team.*" (Compl. Exhibit A, ¶ IB, IC) (emphasis added). The Agreement further provides MLS with the right to impose discipline, including termination, if the League determines in "***its sole discretion***" if Nowak engages in "conduct that is *materially prejudicial to the interests of the League or the Team or materially detrimental to the public image and/or reputation of the League, the Club and/or the game of soccer*." (Compl. Exhibit A, ¶ I(C)). (emphasis added).

The termination letter, on its face, reflects that MLS found that Nowak had violated MLS League Rules and had engaged in conduct materially adverse to the integrity, reputation and goodwill of the Club and the Team. (Compl., Ex. D, ¶¶ 1, 4.) The League was within its rights to make—in its sole discretion—such a factual determination. Having found Plaintiff to have engaged in violative conduct, MLS was privileged under the clear language of the Agreement to take action resulting in Plaintiff's termination.

The goal of Pennsylvania law allowing conduct that interferes with a contract where there is privilege or justification is "[t]o make actionable conduct that is outside of the 'rules of the game' while insulating those engaged in legitimate business practices." *Trs. of Univ. of Pa. v. St. Jude Children's Research Hosp.*, 940 F. Supp. 2d 233, 239 (E.D. Pa. 2013); *Adler, Barish,*

Daniels, Levin & Creskoff v. Epstein, 482 Pa. 416, 433 (Pa. 1978) (same). Ordinarily, "[w]hat is or is not privileged conduct in a given situation is not susceptible of precise definition." *Glenn v. Point Park College*, 441 Pa. 474, 482 (Pa. 1971).

This is the unusual case in which privilege *has been* precisely defined. Nowak's employment agreement explicitly acknowledged MLS's legitimate concern – and power to take action – in the event that Nowak's conduct reflected negatively on the League or the Team. Quite literally, Nowak acknowledged in the Agreement that he had to abide by the "rules of the game" established by MLS and that he could be terminated if MLS concluded that he had violated them.

The extensive powers accorded to MLS and its Commissioner (which are treated interchangeably under the Agreement) under Nowak's employment agreement are similar to the powers that have been granted to sports league commissioners for decades and which have been held to justify interference with contracts that the commissioner deemed detrimental to the best interests of the league and the sport that the commissioner was charged with safeguarding.

In the 1931 case of *Milwaukee American Ass'n v. Landis*, 49 F.2d 298 (N.D. Ill. 1931), a player alleged that the commissioner of Major League Baseball had unlawfully interfered with an option agreement between the St. Louis major league baseball club and the Milwaukee minor league club concerning the player's assignment by refusing to approve the contract. The federal district court dismissed the claim, concluding that the Commissioner's broad discretion to determine whether certain facts are "detrimental to baseball" and to impose punishment or other remedies for such conduct, meant that the Commissioner had acted within his authority in rejecting the option contract. The court stated that "[t]o have decided otherwise would have exhibited a lack of fidelity to the trust imposed upon him and to the obligations which he had

accepted." 49 F.2d at 303. Likewise, in *Atlanta National League Baseball Club, Inc. v. Kuhn*, 432 F. Supp. 1213 (N.D. Ga. 1977), the court dismissed tortious interference with contract claims against Major League Baseball's then-Commissioner, Bowie Kuhn, for suspending the Atlanta club's owner from baseball activities for one year for "tampering" with a player under contract to another team. The court concluded that the Commissioner's conduct did not constitute tortious interference with the club's or club owner's business because the Commissioner "acted within the scope of his authority, and indeed, was executing his assigned duties as Commissioner." 432 F. Supp. at 1226. That authority, as in *Landis*, was the power to punish the plaintiffs "for acts considered not in the best interests of baseball." *Id.* At 1220.

As in *Landis* and *Kuhn*, MLS's actions that allegedly resulted in Nowak's termination were based on the League's and its Commissioner's comparable authority—acknowledged on the face of the Agreement—to take disciplinary action in the event of conduct the League deemed "materially prejudicial to the interests of the League or the Team or materially detrimental to the public image and/or reputation of the League, the Club and/or the game of soccer." (Compl., Ex. A, Section I(C).)

As reflected in the June 12, 2012 termination letter, the bases for Plaintiff's termination included Plaintiff's breach of League Rules and engaging in insubordinate conduct and abusive conduct toward players that "reflected in a materially adverse manner on the integrity, reputation and goodwill of Club and the Team (in the eyes of the League, U.S Soccer, current and potential Team players, sponsors and fans)." (Compl., Ex. D.) Having agreed that such facts, and the opinion of the League as to Nowak's conduct, would be legitimate grounds for his termination, Plaintiff cannot assert a claim dependent on negating his prior agreement as to MLS's authority.

B. Plaintiff Fails to State a Claim of Tortious Interference With Prospective Contractual Relations.

Plaintiff's Complaint also fails to demonstrate a tortious interference claim with regard to alleged prospective contractual relationships with the Chicago Fire or any other MLS Teams. To determine whether a prospective contractual relationship exists, courts consider whether there was a "reasonable likelihood that the relationship would have occurred but for the defendant's interference." *Stann v. Olander Prop. Mgmt. Co.*, 2014 U.S. Dist. LEXIS 100013, at *23 (E.D. Pa. July 23, 2014). A prospective contract "'is something less than a contractual right, something more than a mere hope.' ... [I]t exists if there is a reasonable probability that a contract will arise from the parties' current dealings." *Brunson Commc'ns, Inc. v. Arbitron, Inc.*, 239 F. Supp. 2d 550, 578 (E.D. Pa. 2002) (citations omitted); *see also Waris v. Mackey*, Case No. 09-1103, 2009 WL 4884204, at *13 (E.D. Pa. Dec. 15, 2009) (noting the test is an "objective one" and that a prospective contract "'is something less than a contractual right, something more than a mere hope'") (citations omitted).

Here, the Complaint alleges that "***[u]pon information and belief***, Major League Soccer has directed and/or advised other professional soccer clubs not to employ" him "thus also interfering with Mr. Nowak's prospective contractual relations with Chicago Fire and other MLS soccer teams. (Compl. ¶ 42) (emphasis added). These allegations without supporting facts can lead only to a finding that Plaintiff's prospective contractual allegations were a "mere hope" and Plaintiff has not (and cannot) demonstrate even a "reasonable likelihood" or "probability" that prospective contractual allegations would have materialized. Plaintiff has not alleged that he had been offered a contract by the Chicago Fire or that all material terms of such an offer had been agreed upon.

In any event, the facts surrounding Plaintiff's termination, the express language of the Agreement, and the social interests the League was protecting through its alleged conduct, are more than sufficient factors to demonstrate that MLS would have been privileged and justified to advise other MLS teams not to enter into a contract with Plaintiff.

As shown in Section II, *supra*, due to the nature of the League's and its Commissioner's authority, MLS had the explicit right under Nowak's contract to determine that Nowak had engaged in conduct detrimental to the League and the team and to compel Nowak's termination. There is no reason to think MLS's authority with respect to the right to exclude Nowak from employment with another MLS team would be any different from its right to direct Nowak's termination from the Philadelphia team. Plaintiff has not shown that the terms of any potential contract with another MLS team would have been different, with respect to MLS's powers, from those in his contract with the Philadelphia Union.

As also demonstrated in Section III.A., *supra*, in addition to its contractual rights, MLS was privileged and justified under Pennsylvania law to determine (as it did) that Plaintiff's conduct was detrimental to the integrity and reputation of the League and the team and to direct his termination. That same privilege and justification would necessarily support a directive not to have Plaintiff serve in the same role elsewhere in the League. Plaintiff accepted MLS's authority under the Agreement to determine whether he had engaged in conduct that was detrimental to the League's reputation and warranting termination and he cannot now revoke MLS's privilege.

CONCLUSION

For the reasons set forth above, Defendant Major League Soccer, LLC respectfully submits that the Complaint be dismissed in its entirety with prejudice.

Dated: April 20, 2015

Respectfully submitted,

/s/ Amy R. Covert

Amy R. Covert
Howard Z. Robbins*
Nayirie Kuyumjian*
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Telephone: (212) 969-3000
acovert@proskauer.com
hrobbins@proskauer.com
nkuyumjian@proskauer.com

Attorneys for Defendant Major League Soccer, LLC

**Admitted Pro Hac Vice*

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

PIOTR NOWAK Plaintiff, v. MAJOR LEAGUE SOCCER, LLC AND MAJOR LEAGUE SOCCER PLAYERS UNION Defendants.	Civil Action No. 2:14-cv-03503-MAM Honorable Judge Mary A. McLaughlin

CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served with a copy of the foregoing document via the Court's CM/ECF system on this 20th day of April, 2015.

/s/ Amy R. Covert
Amy R. Covert

EXHIBIT 1

CONFIDENTIAL

FIFTH AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

OF

MAJOR LEAGUE SOCCER, L.L.C.,

A DELAWARE LIMITED LIABILITY COMPANY

DATED AS OF JANUARY 3, 2012

TABLE OF EXHIBITS

FIFTH AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

OF

MAJOR LEAGUE SOCCER, L.L.C.

THIS FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (as amended from time to time, this "Agreement") is made and entered into as of January 3, 2012 (the "Effective Date") by and among (i) the Persons who are Members of the Company on the date hereof and (ii) those Persons who from time to time execute subscription agreements in form and substance acceptable to the Company (each, a "Subscription Agreement") and thereby agree to be bound by the provisions of this Agreement as Members, as set forth on **Exhibit A** hereto, as such **Exhibit A** may be amended from time to time.

The parties hereto desire to continue the Company as a limited liability company under the Act and this Agreement and to amend and restate in its entirety the Fourth Amended and Restated Limited Liability Company Agreement of the Company dated as of January 4, 2011 (as amended from time to time, the "2011 Agreement").

In consideration of the mutual covenants set forth herein, the parties hereto agree to amend and restate in its entirety the 2011 Agreement as follows:

ARTICLE 1
CONTINUATION OF THE COMPANY

1.1 Continuation. The parties hereby continue the Company under the Act for the purposes and upon the terms and conditions hereinafter set forth. The rights and liabilities of the Members of the Company shall be as provided in the Act, except as otherwise expressly provided herein. In the event of any inconsistency between any terms and/or conditions contained in this Agreement and any non-mandatory provisions of the Act, the terms and/or conditions contained in this Agreement shall govern.

1.2 Name. The name of the Company shall be "Major League Soccer, L.L.C." The Board of Governors may change the name of the Company, from time to time, in accordance with applicable law, to any name the Board of Governors shall designate by Notice in writing to the Members. The Company's business may be conducted under the name of the Company or any other name or names deemed desirable by the Board of Governors.

1.3 Business Purpose. The purpose and business of the Company shall be the establishment, development, operation and management of a professional soccer league, the carrying on of any business relating thereto or arising therefrom, and any other activities related or incidental thereto, and the engagement in any other lawful act or activity in which a limited liability company may engage under the Act and under Delaware law. The Company shall have the power to do any and all acts necessary, appropriate, proper, advisable, incidental or

convenient to or for the furtherance of the purposes and business described herein and for the protection and benefit of the Company, and shall have, without limitation, any and all of the powers that may be exercised on behalf of the Company by any Member pursuant to this Agreement or an Operating Agreement.

1.4 Place of Business. The principal place of business of the Company shall be located at 420 Fifth Avenue, New York, New York or at such other location within or outside the State of Delaware as the Board of Governors may from time to time hereafter designate by Notice in writing to the Members. The Company may maintain such other offices and places of business within or outside the State of Delaware as the Board of Governors may deem advisable.

1.5 Certificate of Formation; Filing. On July 24, 1995, Alan I. Rothenberg, as an authorized person within the meaning of the Act, executed a Certificate of Formation (as amended or restated from time to time, the "Certificate") and filed it in the Office of the Delaware Secretary of State as required by the Act. The Board of Governors shall cause to be executed and filed by any Person designated by it as an authorized person any duly authorized amendments to the Certificate from time to time in a form prescribed by the Act. The Board of Governors shall also cause to be made, on behalf of the Company, such additional filings and recordings as the Board of Governors shall deem necessary or advisable.

1.6 Qualification to Conduct Business. In each state or other jurisdiction where the Board of Governors determines it to be necessary or appropriate, the Board of Governors shall cause to be executed any and all documents and certificates required by such state or jurisdiction to establish that the Company is qualified to conduct business in that state or jurisdiction, and shall cause to be filed such documents and certificates with the Secretary of State, or any other place as may be required by applicable law.

1.7 Fictitious Business Name Statements. Following the execution of this Agreement, fictitious business name statements shall be filed and published when and if the Board of Governors determines it necessary. Any such statement shall be renewed as required by applicable law.

1.8 Registered Office and Registered Agent for Service of Process. The registered office of the Company in the State of Delaware is c/o The Prentice-Hall Corporation System, Inc., 1013 Centre Road, Wilmington, Delaware 19805, and the name and address of the registered agent for service of process on the Company in the State of Delaware are The Prentice-Hall Corporation System, Inc., 1013 Centre Road, Wilmington, Delaware 19805. The Company shall continuously maintain a registered office and a designated and duly qualified agent for service of process on the Company in the State of Delaware.

1.9 Term. The term of the Company (the "Term") commenced on the date on which the Certificate was filed with the Office of the Delaware Secretary of State and shall continue until the Company is dissolved pursuant to this Agreement.

1.10 Admission of Members. Without the need for any further action by any Person, the Persons listed on **Exhibit A** hereby continue to be members of the Company or, if not previously admitted to the Company as members of the Company, are hereby admitted to the

Company as members of the Company. To the extent any Person has entered into a legally binding expansion agreement, option agreement or other written agreement with the Company under which, or in connection with which, such Person has agreed to acquire Interests (each an "Expansion Agreement"), such Expansion Agreement shall further govern the terms of such Person's admission to the Company as a member of the Company.

ARTICLE 2
DEFINED TERMS

The following defined terms shall, unless the context otherwise requires, have the meanings specified in this Article 2.

2.1 "AAA" means the American Arbitration Association in New York, New York.

2.2 "Accountants" means the firm of independent accountants engaged from time to time by the Board of Governors or its properly appointed Committee.

2.3 "Act" means the Delaware Limited Liability Company Act, 6 Del. C. § 18-101 et seq., as amended from time to time.

2.4 "Adjusted Contribution Account" means, with respect to any Member, the balance, if any, in such Member's Contribution Account as of the end of the relevant fiscal year, after giving effect to the adjustments described in Paragraphs 2.5.1 and 2.5.2.

2.5 "Adjusted Contribution Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Contribution Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

2.5.1 Add to such Contribution Account the following items:

(a) The amount that such Member is obligated or deemed obligated to contribute to the Company pursuant to Regulations Section 1.704-1(b)(2)(ii)(c); and

(b) The amount that such Member is deemed to be obligated to restore to the Company pursuant to the penultimate sentence of each of Regulations Sections 1.704-2(i)(5) and 1.704-2(g)(1); and

2.5.2 Subtract from such Contribution Account such Member's share of the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

2.6 "Advance" has the meaning given to such term (a) in the Class J Operating Agreement when used with respect to the Class J Member or (b) in the Class K Operating Agreement when used with respect to the Class K Member.

2.7 "Affiliate" means, when used with reference to a specified Person, (a) any Person who directly or indirectly controls, is controlled by or is under common control with the specified Person, (b) any Person who is an officer, partner, member or trustee of, or serves in a

similar capacity with respect to, the specified Person, or for which the specified Person is an officer, partner, member or trustee or serves in a similar capacity, (c) any Person who, directly or indirectly, is the beneficial owner of 10% or more of any class of equity securities of the specified Person, or of which the specified Person, directly or indirectly, is the owner of 10% or more of any class of equity securities, and (d) any member of the Immediate Family of the specified Person.

2.8 "Aggregate Class E Capital Amount" means the aggregate sum of all Class E Capital Amounts for all of the Class E Members.

2.9 "Agreement" is defined in the Preamble.

2.10 "Annual League Budget" is defined in Paragraph 6.6 of this Agreement.

2.11 "Annual Rights Fee" has the meaning given to such term in the Class I Operating Agreement.

2.12 "Bankruptcy" means, with respect to a Person, (i) an assignment for the benefit of the creditors of such Person, (ii) a voluntary petition in bankruptcy by such Person, (iii) the adjudication of such Person as bankrupt or insolvent, (iv) the entering against such Person of an order for relief in any bankruptcy or insolvency proceeding, (v) the filing by such Person of a petition or answer seeking for such Person any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (vi) the filing by such Person of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such Person in any proceeding of a nature described in clause (v) of this sentence, (vii) such Person's seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator of the Person or all or any substantial part of such Person's properties, (viii) such Person's failure to obtain the dismissal, within 60 days after the commencement thereof, of any proceeding seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (ix) such Person's failure to cause to be vacated or stayed, within 60 days after the appointment without such Person's consent or acquiescence, of a trustee, receiver or liquidator of the Person or of all or any substantial part of such Person's properties or (x) such Person's failure to vacate an appointment described in clause (ix) of this sentence within 60 days of the expiration of any such stay.

2.13 "Board of Governors" means the governing body of the Company comprised of representatives of each of the Members; provided that in the case of each Class A/E Member, only one representative shall be permitted to serve as a representative on such governing body. Notwithstanding the foregoing, action taken by the Board of Governors shall be made in accordance with Paragraph 6.5.4 of this Agreement.

2.14 "Canadian Members" means, collectively, the Class I Member, the Class J Member and the Class K Member.

2.15 "Capital Account" means, with respect to each Member, an account maintained for such Member on the Company's books and records in accordance with the following provisions:

2.15.1 To each Member's Capital Account there shall be added (a) such Member's Capital Contributions, (b) such Member's distributive share of (i) Profits and (ii) any items in the nature of income or gain that are specially allocated pursuant to Article 5 of this Agreement, and (c) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

2.15.2 From each Member's Capital Account there shall be subtracted (a) the amount of (i) cash and (ii) the Gross Asset Value of any Company property, that in either case is distributed to such Member pursuant to any provision of this Agreement (other than amounts paid as interest or in repayment of principal on any loan by a Member to the Company), (b) such Member's distributive share of (i) Losses and (ii) any items in the nature of expenses or losses that are specially allocated pursuant to Article 5 of this Agreement, and (c) liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

2.15.3 In determining the amount of any liability for purposes of Paragraphs 2.15.1 and 2.15.2 of this Agreement, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and the Regulations.

2.15.4 If any Membership Interest is transferred, the transferee shall succeed to a pro rata share of the transferor's Capital Account, based on the ratio that the portion of the Interest transferred bears to the total Interest of the transferor immediately before the transfer.

2.15.5 The Board of Governors shall increase or decrease the Capital Accounts of the Members to reflect adjustments to the Gross Asset Values of all Company assets in accordance with Paragraphs 2.39.2 and 2.39.3 of this Agreement at such times as set forth in Paragraphs 2.39.2 and 2.39.3 of this Agreement. The adjustments shall reflect the manner in which the unrealized income, gain, loss or deduction inherent in such property (that has not been reflected in Capital Accounts previously) would be allocated among the Members under Article 5 of this Agreement if there were a taxable disposition of such property for such fair market value on such date. The Members' shares of depreciation, depletion, amortization, and gain or loss, as computed for tax purposes, with respect to such property shall be determined so as to take account of the variation of the adjusted tax basis and book value of such property in the same manner as under Code Section 704(c) and the applicable Regulations.

2.15.6 Adjustments to Capital Accounts in respect of Company income, gain, loss, deduction and non-deductible expenditures (or item thereof) shall be made with reference to the federal tax treatment of such items (and, in the case of book items, with reference to the federal tax treatment of the corresponding tax items) at the Company level, without regard to any required or elective tax treatment of such items at the Member level.

2.15.7 The provisions of this Paragraph 2.15 and the other provisions of this Agreement relating to the maintenance of Capital Accounts and Contribution Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations. If the Board of Governors shall determine that it is prudent to modify the manner in which Capital Accounts or Contribution Accounts, or any additions or subtractions thereto (including, without limitation, adjustments

relating to liabilities that are secured by contributed or distributed property or that are assumed by the Company or the Members), are computed to comply with such Regulations, the Board of Governors shall be entitled to make such modification, provided that it is not likely to have a material effect on the aggregate amounts distributable or allocable to any Member pursuant to this Agreement. The Board of Governors shall also make (a) any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts or Contribution Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(g), and (b) any appropriate modifications if unanticipated events might otherwise cause this Agreement not to comply with Regulations Sections 1.704-1(b) and 1.704-2, subject to the proviso in the preceding sentence.

Except as expressly set forth in this Agreement, a Member that has a Membership Interest in more than one class shall nonetheless have a single Capital Account that reflects all such Membership Interests.

2.16 "Capital Commitment" means the aggregate amount of cash that a Member has committed to contribute to the capital of the Company pursuant to a Subscription Agreement or other written instrument (to be clear, approval of an Annual League Budget or any modification thereto by the Board of Governors acting by a Super Majority Vote shall constitute a Capital Commitment for each Member (whether or not such Member or its Governor voted to approve such Annual League Budget or modification) for the fiscal year covered by such Annual League Budget).

2.17 "Capital Contribution" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company by such Member. Any interest or other penalty amount paid or required to be paid pursuant to Paragraph 3.7 by a Defaulting Member shall not be treated as a Capital Contribution. For the avoidance of doubt, each payment of the Annual Rights Fee by the Class I Member to the Company pursuant to the Class I Operating Agreement and each Advance made by the Class J Member or the Class K Member pursuant to the Class J Operating Agreement or the Class K Operating Agreement (as applicable) shall not be treated as a Capital Contribution, and any amounts required to be paid by the Company or any of its Subsidiaries to the Class I Member, the Class J Member or the Class K Member pursuant to its Operating Agreement shall not be treated as distributions.

2.18 "Class A Member" means any Person admitted to the Company as a member of the Company and who holds Class A Units in its capacity as a Class A Member, as set forth on **Exhibit A**, which shall be updated from time to time.

2.19 "Class A/E Member" means any Person that is both a Class A Member and a Class E Member.

2.20 "Class B Member" means any Person admitted to the Company as a member of the Company and who holds Class B Units in its capacity as a Class B Member, as set forth on **Exhibit A**, which shall be updated from time to time.

2.21 "Class E Capital Amount" means, with respect to each Class E Member, the aggregate amount of Capital Contributions made by such Class E Member to the Company with respect to its Class E Units.

2.22 "Class E Member" means any Person admitted to the Company as a member of the Company and who holds Class E Units in its capacity as a Class E Member, as set forth on **Exhibit A**, which shall be updated from time to time.

2.23 "Class I Contribution Amount" means the sum of (x) the aggregate amount of Capital Contributions made by the Class I Member to the Company, plus (y) without duplication of clause (x), the aggregate amount of Annual Rights Fees paid by the Class I Member under the Class I Operating Agreement.

2.24 "Class I Member" means Maple Leaf Sports & Entertainment, Ltd., an Ontario corporation, in its capacity as a Class I Member, as set forth on **Exhibit A**, which shall be updated from time to time.

2.25 "Class I Operating Agreement" means the MLS Operating Agreement dated April 1, 2007 between the Class I Member and MLS Canada LP (as assignee of MLS Canada ULC), as it may be amended, restated, supplemented, waived or otherwise modified from time to time.

2.26 "Class J Contribution Amount" means the sum of (x) the aggregate amount of Capital Contributions made by the Class J Member to the Company, plus (y) without duplication of clause (x), the aggregate amount of Advances made by the Class J Member under the Class J Operating Agreement, whether or not such Advances are then outstanding or have been repaid.

2.27 "Class J Member" means Vancouver Whitecaps FC L.P., a Delaware limited partnership, in its capacity as a Class J Member, as set forth on **Exhibit A**, which shall be updated from time to time, and in its capacity as a limited partner of MLS Canada LP.

2.28 "Class J Operating Agreement" means the MLS Operating Agreement dated January 4, 2011 between the Class J Member and MLS Canada LP, as it may be amended, restated, supplemented, waived or otherwise modified from time to time.

2.29 "Class K Contribution Amount" means the sum of (x) the aggregate amount of Capital Contributions made by the Class K Member to the Company plus (y) without duplication of clause (x), the aggregate amount of Advances made by the Class K Member under the Class K Operating Agreement, whether or not such Advances are then outstanding or have been repaid.

2.30 "Class K Member" means Free 2 Play LP, a Quebec limited partnership, in its capacity as a Class K Member, as set forth on **Exhibit A**, which shall be updated from time to time, and in its capacity as a limited partner of MLS Canada LP.

2.31 "Class K Operating Agreement" means the MLS Operating Agreement dated January 3, 2012 between the Class K Member and MLS Canada LP, as it may be amended, restated, supplemented, waived or otherwise modified from time to time.

2.32 "Code" means the Internal Revenue Code of 1986, as amended (or any corresponding provision or provisions of succeeding law).

2.33 "Committee" means the Board of Governors and each committee established by the Board of Governors including, without limitation, the executive committee (the "Executive Committee") and the audit and finance committee (the "Audit and Finance Committee").

2.34 "Company" means Major League Soccer, L.L.C., a Delaware limited liability company.

2.35 "Company Minimum Gain" has the meaning set forth in Regulations Sections 1.704-2(b)(2) and 1.704-2(d) for the phrase "partnership minimum gain."

2.36 "Contribution Account" means (i) with respect to each Member other than the Class I Member, the Class J Member or the Class K Member, such Member's Capital Account; (ii) with respect to the Class I Member, such Member's Capital Account plus the aggregate amount of Annual Rights Fees paid by the Class I Member under the Class I Operating Agreement; and (iii) with respect to the Class J Member or the Class K Member, such Member's Capital Account plus the aggregate amount of Advances made by the Class J Member or the Class K Member under the Class J Operating Agreement or the Class K Operating Agreement (as applicable), whether or not such Advances are then outstanding or have been repaid.

2.37 "Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that, if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that, if the federal income tax depreciation, amortization or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any method selected by the Board of Governors.

2.38 "Distributable Cash" means all cash on hand, other than Capital Contributions, Annual Rights Fees, Advances, Liquidating Transaction Proceeds (specifically excluding any deduction for Reserves) and Reserves.

2.39 "Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

2.39.1 The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset at the time of contribution, as determined by the Board of Governors.

2.39.2 The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board of Governors, as of the following times:

(a) the acquisition of an additional interest in the Company by a new or existing Member, in exchange for more than a de minimis Capital Contribution, if the Board of Governors determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Members in the Company or if requested by a new or existing Member unless the Board of Governors determines that doing so would not reflect the relative economic interests of the Members in the Company;

(b) the distribution by the Company to a Member of more than a de minimis amount of Company property as consideration for an interest in the Company, if the Board of Governors determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(c) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); and

(d) at such other times as the Board of Governors shall determine necessary or advisable to comply with Regulations Sections 1.704-1(b) and 1.704-2.

2.39.3 The Gross Asset Value of any Company asset distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Board of Governors.

2.39.4 The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and Paragraph 5.5.8 of this Agreement; provided, however, that Gross Asset Values shall not be adjusted pursuant to this Paragraph 2.39.4 to the extent that the Board of Governors determines that an adjustment pursuant to Paragraph 2.39.2 of this Agreement is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Paragraph 2.39.4.

2.39.5 If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to Paragraph 2.39.1, 2.39.2 or 2.39.4 of this Agreement, such Gross Asset Value shall thereafter be adjusted by the Depreciation (and not the depreciation, amortization, or other cost recovery deductions allowable for federal income tax purposes) taken into account with respect to such asset for purposes of computing Profits and Losses.

2.40 "Immediate Family" means, and is limited to, 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.

2.41 "Incapacity" means the death, dissolution or Bankruptcy of a Member.

2.42 "Initial Closing" means the closing of the transaction under the Amended and Restated Limited Liability Company Agreement of the Company, dated as of November 10, 1995, pursuant to which the Initial Members subscribed for Membership Interests.

2.43 "Initial Member" means any of the following Persons: KSE Soccer, Inc. (as a Substituted Member for Anschutz Colorado Soccer, Inc.); Chicago Fire Soccer, LLC (as a Substituted Member for Anschutz Chicago Soccer, Inc.); Red Bull New York Inc. f/k/a Anschutz N.Y. Soccer, LLC (as a Substituted Member for Empire Soccer Club, L.P.); Kraft Soccer LLC; Anschutz L.A. Soccer, Inc. (as a Substituted Member for Los Angeles Soccer Partners, L.P.); Team Columbus Soccer, L.L.C.; OnGoal, LLC (as a Substituted Member for Team Kansas City Soccer, L.L.C.); Dentsu Holdings USA, Inc. (as a Substituted Member for Sports Culture Excellence Inc.); and any Substituted Member of any such Person, until such time as such Person is no longer a Member of the Company.

2.44 "Interest" or "Membership Interest" means the entire ownership interest of a Member in the Company at any time, including such Member 's limited liability company interest and the right of such Member to any and all benefits to which a Member may be entitled as provided in this Agreement, together with the obligations of such Member to comply with all of the terms and provisions of this Agreement; and Class A Interest, Class B Interest, Class E Interest, Class I Interest, Class J Interest and Class K Interest mean, respectively, the Interest of that class owned at any time by a particular Class A Member, Class B Member, Class E Member, Class I Member, Class J Member or Class K Member; provided that the direct or indirect interest of any Person in a Member shall be considered Member Equity and not an Interest.

2.45 "Liquidating Transaction" means the sale, exchange or other disposition of all or substantially all of the Company's assets.

2.46 "Liquidating Transaction Proceeds" means the gross cash proceeds of a Liquidating Transaction reduced by (a) the amount required to be paid by the Company in reduction of prior loans or liens upon Company property, (b) costs incurred by the Company in connection with such Liquidating Transaction (including, without limitation, amounts required to pay liabilities of the Company which are not otherwise held in Reserves) and (c) any Reserves.

2.47 "Member" means any Person who has been admitted to the Company as a member of the Company in accordance with the terms hereof and who, at such time, owns a Membership Interest, including, without limitation, the Class A Members, the Class B Member, the Class E Members, the Class I Member, the Class J Member and the Class K Member.

2.48 "Member Equity" means any Pecuniary Interest or any direct or indirect equity interest in a Member.

2.49 "Member Minimum Gain" means minimum gain attributable to a Member Nonrecourse Debt determined in accordance with Regulations Section 1.704-2(i) with respect to "partner nonrecourse debt minimum gain."

2.50 "Member Nonrecourse Debt" has the meaning set forth in Regulations Section 1.704-2(b)(4) for the phrase "partner nonrecourse debt."

2.51 "Member Nonrecourse Deduction" has the meaning set forth in Regulations Section 1.704-2(i)(2) for the phrase "partner nonrecourse deduction."

2.52 "MLS Canada LP" means MLS Canada LP, an Ontario limited partnership.

2.53 "MLS Canada LP Agreement" means the Amended and Restated Limited Partnership Agreement dated as of January 3, 2012 among MLS Canada ULC, the Class J Member and the Class K Member, as it may be further amended, restated, supplemented, waived or otherwise modified from time to time.

2.54 "MLS Canada ULC" means MLS Canada ULC, an Alberta unlimited liability company.

2.55 "Nonrecourse Deductions" has the meaning set forth in Regulations Section 1.704-2(c).

2.56 "Nonrecourse Liability" has the meaning set forth in Regulations Section 1.704-2(b)(3).

2.57 "Notice" means any notice, consent, payment, demand or communication required or permitted to be given by any provision of this Agreement, which shall be in writing and shall be (a) delivered personally to the Person or to an officer of the Person to whom the same is directed, or (b) sent by facsimile or registered or certified mail, return receipt requested, postage prepaid, addressed as follows: if to the Company, to the Company at the address set forth in Paragraph 1.4 hereof, or to such other address as the Company may from time to time specify by Notice to the Members; if to a Member, to such Member at the address set forth on **Exhibit A**, or to such other address as such Member may from time to time specify by Notice to the Company. Any such Notice shall be deemed to be delivered, given and received for all purposes as of: (i) the date so delivered, if delivered personally, (ii) upon receipt, if sent by facsimile, or (iii) on the date of receipt or refusal indicated on the return receipt, if sent by registered or certified mail, return receipt requested, postage and charges prepaid and properly addressed.

2.58 "Officer Group" means those employees and agents of the Company who are designated as officers of the Company as are appointed by the Board of Governors pursuant to the rules and regulations of the Company as are established by the Board of Governors and in effect from time to time.

2.59 "Operating Agreement" means (a) each Operating Agreement, the form of which is attached hereto as **Exhibit B**, which, when executed by the Company and each Class A Member party thereto, governs the relationship between the Company and such Class A Member in connection with the operation of a Team (as defined in such Operating Agreement) by such Class A Member, (b) the Class I Operating Agreement, which is substantially in the form of **Exhibit B** but contains certain modifications, which governs the relationship between MLS Canada LP and the Class I Member in connection with the operation of the Team (as defined in the Class I Operating Agreement), (c) the Class J Operating Agreement, which is substantially in the form of **Exhibit B** but contains certain modifications, which governs the relationship between MLS Canada LP and the Class J Member in connection with the operation of the Team (as defined in the Class J Operating Agreement), and (d) the Class K Operating Agreement, which is substantially in the form of **Exhibit B** but contains certain modifications, which governs the relationship between MLS Canada LP and the Class K Member in connection with the operation of the Team (as defined in the Class K Operating Agreement).

2.60 "Operating Rights" means all right, title and interest of any Class A Member, Class I Member, Class J Member or Class K Member in and to its Operating Agreement and all of its rights thereunder.

2.61 "Owners" means, with respect to any Member, the direct and indirect owners of such Member.

2.62 "Ownership Percentage" means, with respect to each Member, the percentage set forth opposite such Member's name in the last (i.e., furthest to the right) column on **Exhibit A** attached hereto and incorporated herein by this reference, as such percentage may be modified from time to time pursuant to Paragraph 3.7.4(b) and the other provisions of this Agreement. For the avoidance of doubt, the Ownership Percentage of each Class A/E Member shall be the percentage set forth opposite such Class E Member's name in such column for all purposes under this Agreement, whether in the context of its capacity as a Class A Member, a Class E Member or a Class A/E Member.

2.63 "Pecuniary Interest" means any financial interest, direct or indirect, in any Person.

2.64 "Person" means any individual (natural person), partnership, corporation, limited liability company, trust, estate or other entity.

2.65 "Profits" and "Losses" means an amount equal to the Company's taxable income or loss with respect to the relevant period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

2.65.1 Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this Paragraph 2.65 shall be added to such taxable income or loss;

2.65.2 Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), not otherwise taken into account in computing Profits or Losses pursuant to this Paragraph 2.65, shall be subtracted from such taxable income or loss;

2.65.3 Gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

2.65.4 In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with Paragraph 2.37 of this Agreement;

2.65.5 In the event that the Gross Asset Value of any Company asset is adjusted in accordance with Paragraphs 2.39.2 or 2.39.3, the amount of the adjustment shall be taken into

account as gain or loss from the disposition of that asset for purposes of computing Profits and Losses; and

2.65.6 Notwithstanding any other provision of this Paragraph 2.65, any items that are specially allocated pursuant to Paragraphs 5.4 and 5.5 of this Agreement shall not be taken into account in computing Profits or Losses.

2.66 "Regulations" means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such Regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2.67 "Reserves" means, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves that shall be maintained in amounts required hereunder or deemed sufficient by the Board of Governors in its sole discretion to provide working capital, to pay taxes, insurance, debt service, payments required to be made by the Company pursuant to any Operating Agreement, repairs, replacements or renewals, to provide capital for anticipated or possible construction or acquisition costs, capital expenditures, contingent, conditional or unmatured liabilities of the Company, and other outlays .

2.68 "Subsequent Closing" means any closing of a transaction after the Initial Closing pursuant to which one or more Persons purchase Membership Interests.

2.69 "Subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with U.S. generally accepted accounting principles as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests are, as of such date, owned, controlled or held, whether directly or indirectly, or (b) that is, as of such date, otherwise controlled by the parent, whether directly or indirectly.

2.70 "Substituted Member" means any Person admitted to the Company as a Member in the Company in place of a Member or assignee thereof, in accordance with Article 8.

2.71 "SUM" means Soccer United Marketing, LLC, a Delaware limited liability company.

2.72 "SUM LLC Agreement" means the Fourth Amended and Restated Operating Agreement of SUM dated as of January 3, 2012, as it may be amended, restated, supplemented, waived or otherwise modified from time to time.

2.73 "Super Majority Vote" means a vote of two-thirds (2/3) or more of the Ownership Percentages held by all of the Members, acting through the Board of Governors; provided, however, that if any Member or Governor is specifically precluded under the terms of this Agreement, such Member's Expansion Agreement or Operating Agreement from voting on a

particular matter (i.e., if this Agreement or such Member's Expansion Agreement or Operating Agreement is silent as to exclusion of a Member or Governor from voting on a particular matter then such Member or Governor shall not be precluded from voting on such matter), then a "Super Majority Vote" with respect to such matter shall mean a vote of two-thirds (2/3) or more of the other Ownership Percentages held by all of the other Members, acting through the Board of Governors.

2.74 "Total Contribution Amount" means the sum of (i) the Aggregate Class E Capital Amount, plus (ii) the Class I Contribution Amount, plus (iii) the Class J Contribution Amount, plus (iv) the Class K Contribution Amount.

2.75 "Transfer" means (i) when used as a noun: any transfer, sale, assignment, pledge, hypothecation, encumbrance or other disposition (including, without limitation, the issuance of equity in a Person), whether for value or no value and whether voluntary or involuntary (including, without limitation, by operation of law), and (ii) when used as a verb: to transfer, sell, assign, pledge, hypothecate, encumber, or otherwise dispose of (including, without limitation, the issuance of equity in a Person), whether for value or no value and whether voluntary or involuntary (including, without limitation, by operation of law).

2.76 "Undrawn Capital Commitment" means, with respect to a Member, an amount (not less than zero) equal to (x) the amount of such Member's Capital Commitment minus (y) the amount of such Member's Capital Contributions.

2.77 "Units" means the respective Interests of the Members expressed in terms of the number of units held by them as set forth on **Exhibit A**, which shall be updated from time to time; and Class A Unit, Class B Unit, Class E Unit, Class I Unit, Class J Unit and Class K Unit, or portion thereof, mean, respectively, a Unit, or portion thereof, owned by a Class A Member, a Class B Member, a Class E Member, the Class I Member, the Class J Member or the Class K Member, in each case, in its capacity as such.

2.78 Other Terms. Other terms are defined in the following paragraphs:

Term	Defined in Paragraph
2011 Agreement	Preamble
Aggregate Contributions	Paragraph 3.7.4(b)(iii)
Aggregate Operator/Investor Contributions	Paragraph 3.7.4(b)(ii)
Alternate Governor	Paragraph 6.5.1(b)
Appraiser	Paragraph 7.1.3(c)
Article 8 Indemnified Parties	Paragraph 8.3
Audit and Finance Committee	Paragraph 2.33
Base Numerator	Paragraph 3.7.4(b)
Capital Call	Paragraph 3.5.1
Certificate	Paragraph 1.5
Change in Control	Paragraph 8.6.1
Constitution	Paragraph 6.2
Control Equity	Paragraph 8.6.2
Control Person	Paragraph 8.6.3

Cure Period	Paragraph 3.7.1
Defaulting Member	Paragraph 3.7.1
Default Purchase Price	Paragraph 3.7.3
Dollar for Dollar Dilution	Paragraph 3.7.4(b)
Effective Date	Preamble
Executive Committee	Paragraph 2.33
Exercise Notice	Paragraph 7.1.2
Expansion Agreement	Paragraph 1.10
Expansion Member	Paragraph 6.5.4(b)
Failed to Act in the Best Interest of the Company	Paragraph 7.1.4(b)
Governor	Paragraph 6.5.1(b)
Indemnified Parties	Paragraph 6.8
Indebtedness	Paragraph 3.7.1
League Obligations	Paragraph 13.5
Limited Pre-Approved Transferees	Paragraph 8.2
Liquidating Trustee	Paragraph 9.4.1
New Control Person	Paragraph 8.6.1
Non-Operator Members	Paragraph 7.1.4
Operator/Investor	Article 12
Operator/Investor Base Amount	Paragraph 3.7.4(b)(i)
Option	Paragraph 7.1.2
Payment Defaulting Member	Paragraph 3.7.4
Permitted Transfer	Paragraph 8.2
Pre-Approved Transferees	Paragraph 8.2(a)
Pre-Capital Call Denominator	Paragraph 3.7.4(b)(iv)
Post-Capital Call Denominator	Paragraph 3.7.4(b)
Post-Capital Call Numerator	Paragraph 3.7.4(b)
Regulatory Allocations	Paragraph 5.5.12
Related Party	Paragraph 6.7
Securities Law	Paragraph 8.1.4
Subscription Agreement	Preamble
Targeted Capital Account Balances	Paragraph 5.4
Tax Advance	Paragraph 13.6
Tax Matters Manager	Paragraph 10.6
Term	Paragraph 1.9
Transferring Member	Paragraph 8.1.6

ARTICLE 3
MEMBERS AND CAPITAL

3.1 Members. The names, addresses, Capital Contributions, Units and Ownership Percentages of the Members, all as of the Effective Date, are set forth on **Exhibit A** hereto.

3.2 Company Capital. Except as specifically provided herein, no Member shall be paid interest on any Capital Contribution, Capital Account or Contribution Account. The Company shall not redeem or repurchase any Interest, and no Member shall have the right to

withdraw, or receive any return of, its Capital Contribution, Capital Account or Contribution Account, except as specifically provided herein.

3.3 Liability of Members. Except as required by any non-waivable provisions of the Act or other applicable law, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member or manager of the Company shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or manager of the Company.

3.4 Intentionally Omitted.

3.5 Additional Capital Contributions.

3.5.1 When requested to do so by a Super Majority Vote, the Company shall cause Notices to be sent to all Members (other than the Canadian Members) requesting additional Capital Contributions by such Members (a "Capital Call"). Such Capital Contributions shall be paid, if at all, by the date specified in such Notice; provided, however, that such date shall be no earlier than fifteen business (15) days after such Notice is delivered to the Member. With respect to each Member (other than the Canadian Members, who shall have no obligation to fund a Capital Call pursuant to this Paragraph 3.5.1), to the extent such requested Capital Contributions are fully funded by such Member, Units as provided in Paragraph 3.5.2 in respect of such Capital Contributions shall be deemed issued to such Member on the date Notice of such requested Capital Contributions was delivered, unless another date for such issuance is approved by a Super Majority Vote.

3.5.2 If there are one or more Members (other than the Canadian Members, who shall have no obligation to fund a Capital Call pursuant to Paragraph 3.5.1) who fail to make their pro rata share of the aggregate amount of any Capital Call, (i) each Member that makes a Capital Contribution pursuant to such Capital Call shall be deemed to have purchased Class E Interests and shall receive additional Class E Units, and (ii) the Ownership Percentages of the Members will be adjusted in accordance with Paragraph 3.7.4.

3.6 Additional Members. The Board of Governors, by a Super Majority Vote, is hereby authorized to issue Interests in the Company directly from the Company, and to admit the recipients of such Interests as additional Members from time to time (on such terms and conditions and for such capital contributions, if any, as the Board of Governors may determine by a Super Majority Vote). No action or consent other than the Super Majority Vote shall be required for the admission of an additional Member. As a condition to being admitted to the Company, each additional Member shall execute an agreement or instrument pursuant to which it shall agree to be bound by the terms and conditions of this Agreement.

3.7 Default by Member.

3.7.1 Upon the failure of a Member (a "Defaulting Member") to make payment when due of any amount owed by such Member to the Company or any of its Subsidiaries, whether pursuant to an Operating Agreement, a Capital Commitment (to be clear, the remedies provided for in Paragraphs 3.7.2 and 3.7.3 shall not be available for a default in the

payment of a Capital Call unless the Defaulting Member has an outstanding Capital Commitment; the failure to pay a Capital Call by a Member without an outstanding Capital Commitment shall be governed by Paragraph 3.7.4) or otherwise (all such amounts, collectively, "Indebtedness"), the Company or any non-Defaulting Member may notify the Defaulting Member, in writing, of such failure and make demand upon such Defaulting Member for prompt payment of such amount. If the Defaulting Member fails to cure such failure by paying the amount due within 30 days after the date such notice of default is sent (the "Cure Period"), such failure shall constitute a default under this Agreement and shall entitle the Company, and any non-Defaulting Member on behalf of the Company, to pursue any of the rights and remedies set forth in Paragraphs 3.7.2 or 3.7.3, which rights and remedies shall be cumulative and in addition to any other rights and remedies available hereunder, under any Subscription Agreement, Expansion Agreement or Operating Agreement or under applicable law.

3.7.2 If a Defaulting Member has not cured its failure to pay any Indebtedness by the end of the Cure Period as provided in Paragraph 3.7.1, then at any time within 30 days after the end of the Cure Period, any one or more non-Defaulting Members may pay such Indebtedness on behalf of the Defaulting Member and elect to treat the payment as a loan to the Defaulting Member. In such event, the Defaulting Member shall pay such non-Defaulting Member(s), within 30 days of the date of such advance, the amount of such advance plus interest from the date of the advance at an annualized rate equal to the lesser of (x) the highest prime rate published in the Money Rates section of The Wall Street Journal on the date of such advance (or if such day is not a business day, on the next business day after such date) plus 700 basis points and (y) the maximum interest rate permitted under applicable law. If such advance and interest thereon are not paid when due, the non-Defaulting Member(s) that advanced the funds shall be entitled to: (i) pursue any remedies at law to collect a debt and recover the costs of collection, and (ii) receive 100% of all amounts that would otherwise be distributed by the Company, SUM or any of their respective Subsidiaries to the Defaulting Member until such debt and interest plus the costs of collection (including reasonable attorneys fees) are paid in full (in such event, amounts paid to the non-Defaulting Member shall be treated as having been distributed by the Company to the Defaulting Member and then paid by such Defaulting Member to the non-Defaulting Member). In the event the non-Defaulting Member is a Canadian Member, such Canadian Member may pay such Indebtedness on behalf of the Defaulting Member pursuant to such Canadian Member's Operating Agreement.

3.7.3 If a Defaulting Member has not cured any failure to pay Indebtedness by the end of the Cure Period, the Board of Governors, by Super Majority Vote (excluding the Defaulting Member), shall also have the right, but not the obligation, to pursue any one or more of the following remedies against the Defaulting Member: (a) to collect a defaulted payment with interest calculated at an annualized rate equal to the lesser of (x) the highest prime rate published in the Money Rates section of The Wall Street Journal on such date (or if such date is not a business day, on the next business day after such date) plus 700 basis points and (y) the maximum interest rate permitted under applicable law, plus expenses; (b) to deny the Defaulting Member the right to participate in the Company's activities; (c) to prohibit the Defaulting Member from making further Capital Contributions; (d) to purchase the Interest of the Defaulting Member for an amount equal to 90% of the fair market value of such Interest, as determined in accordance with the procedure set forth in Paragraph 7.1.3 below ("Default Purchase Price"), payable over not more than five years with interest thereon at the rate of 6%

per annum from the date of purchase until paid; (e) to require the Defaulting Member to sell its Interest to another Person selected by the Board of Governors, provided such Person agrees to cure the default and assume the Defaulting Member's other obligations to the Company, for a price equal to the Default Purchase Price (which shall be payable over five years with interest thereon at the rate of 6% per annum from the date of purchase until paid); and (f) to take such other actions as the Board of Governors, acting by a Super Majority Vote (excluding the Defaulting Member), deems appropriate, including, but not limited to, taking legal action against the Defaulting Member.

3.7.4 Upon the failure by any Member (other than the Canadian Members) to make its pro rata share of the aggregate amount of any Capital Call (whether or not such Member has an outstanding Capital Commitment) or, in addition to and without limiting the rights and remedies set forth in Paragraphs 3.7.2 and 3.7.3, the failure by any Member (including the Canadian Members) to pay any Indebtedness (including, without limitation, any default under a Capital Commitment or with respect to a payment due under an Operating Agreement), in each case, within 30 days of the date a Notice of such Capital Call default or failure to pay Indebtedness is sent by the Company (unless and until such failure has been cured, such Member shall be referred to in this Agreement as a "Payment Defaulting Member"), and in addition to and without limiting any other rights and remedies available hereunder, under any Subscription Agreement, Expansion Agreement or Operating Agreement or under applicable law, and notwithstanding and in lieu of any contrary terms and provisions set forth in this Agreement or under any Subscription Agreement, Expansion Agreement or Operating Agreement, if any, of such Payment Defaulting Member:

(a) With respect to any Payment Defaulting Member that is entitled to operate a Team under an Operating Agreement (including any Class E Member that is also a Class A Member), the Company shall be entitled to (i) require the Payment Defaulting Member to permanently relinquish its Operating Rights (which Operating Rights the Company shall accept and may retain itself or Transfer to a third party) and (ii) if such Payment Defaulting Member is a Class A Member, Class I Member, Class J Member or Class K Member, convert such Payment Defaulting Member's Class A Units, Class I Units, Class J Units or Class K Units (to be clear, no other class of equity of such Member shall be changed by virtue of the provisions of this Paragraph 3.7.4(a)) into Class B Units, and Class A Interest, Class I Interest, Class J Interest or Class K Interest into a Class B Interest representing the same Ownership Percentage as was owned by the Payment Defaulting Member immediately prior to such conversion, whereupon such Payment Defaulting Member shall cease to be a Class A Member, Class I Member, Class J Member or Class K Member, as applicable, and shall be deemed admitted to the Company as a Class B Member, in each case, at any time upon notice to such Payment Defaulting Member (for purposes of any Company action under this Paragraph 3.7.4(a), the Payment Defaulting Member shall not be entitled to vote in respect of the Class A Unit(s), Class I Unit(s), Class J Unit(s) or Class K Unit(s) at issue, but shall be entitled to vote in respect of any other Unit(s) held by it); and

(b) With respect to a default in the payment of a Capital Call (whether or not such Payment Defaulting Member is entitled to operate a Team under an Operating Agreement), such Payment Defaulting Member's Interest and Ownership Percentage shall be diluted (the "Dollar for Dollar Dilution") as follows (such Dollar for Dollar Dilution mechanism shall be

applied before any conversion of such Payment Defaulting Member's Class A Interest, Class I Interest, Class J Interest or Class K Interest into a Class B Interest as described in subclause (a)(ii) above):

> Before calculating the dilutive effect of any Capital Call which is not made by a Member within 30 days of the date a Notice of such Capital Call default is sent by the Company,
>
> (i) it shall be assumed that immediately prior to the first such missed Capital Call by any Member, each of the Class A/E Members, the Class I Member, the Class J Member and the Class K Member shall have previously contributed the same amount of capital to the Company as the Class A/E Member that has contributed the most capital to the Company (i.e., that no current Class A/E Member, Class I Member, Class J Member or Class K Member has failed to participate in any prior Capital Call or contributed in excess of any other Class A/E Member, Class I Member, Class J Member or Class K Member) (the "Operator/Investor Base Amount"); and
>
> (ii) the Operator/Investor Base Amount shall then be multiplied by the then current total number of Class A/E Members, Class I Members, Class J Members and Class K Members (the "Aggregate Operator/Investor Contributions"); and
>
> (iii) the Aggregate Operator/Investor Contributions shall then be added to the aggregate Capital Contributions made by Members other than Class A/E Members, the Class I Member, the Class J Member and the Class K Member (with such sum being the "Aggregate Contributions"); and
>
> (iv) the pre-capital call denominator (the "Pre-Capital Call Denominator") shall be equal to the Aggregate Contributions.
>
> The Ownership Percentage of each Member immediately preceding the first such missed Capital Call shall be multiplied by the Pre-Capital Call Denominator to determine the dollar-for-dollar base numerator of such Member (the "Base Numerator").
>
> After each Capital Call, the sum of (w) total amount of Capital Contributions made by all Members (other than the Canadian Members) subsequent to the determination of the Pre-Capital Call Denominator, plus (x) the increase in the Class I Contribution Amount subsequent to the determination of the Pre-Capital Call Denominator, plus (y) the increase in the Class J Contribution

Amount subsequent to the determination of the Pre-Capital Call Denominator, plus (z) the increase in the Class K Contribution Amount subsequent to the determination of the Pre-Capital Call Denominator, shall then be added to the Pre-Capital Call Denominator to ascertain the denominator to be used in respect of the new Ownership Percentage calculation resulting from the Capital Call (the "Post-Capital Call Denominator").

After each Capital Call, the total amount of Capital Contributions made by a Member subsequent to the determination of the Base Numerator (or, in the case of the Class I Member, the Class J Member or the Class K Member, the increase in the Class I Contribution Amount, Class J Contribution Amount or Class K Contribution Amount, as applicable, subsequent to the determination of the Base Numerator) shall then be added to that Member's Base Numerator to ascertain the numerator to be used for such Member in respect of such Member's new Ownership Percentage calculation resulting from the Capital Call (the "Post-Capital Call Numerator").

Each Member's Ownership Percentage shall be equal to such Member's Post-Capital Call Numerator divided by the Post-Capital Call Denominator, and each Member shall be issued the appropriate number of Class E Units (or, in the case of the Class I Member, the Class J Member or the Class K Member, Class I Units, Class J Units or Class K Units, as applicable) to carry out and give effect to its respective Ownership Percentage.

(c) With respect to a default by a Canadian Member in respect of any of its financial obligations under its Operating Agreement or its Expansion Agreement or any other Indebtedness, the defaulting Canadian Member's Interest and Ownership Percentage shall be diluted in an appropriate manner, determined in good faith by the Board of Governors, such that to the fullest extent possible the dilution of such Canadian Member's Interest and Ownership Percentage is consistent with the Dollar for Dollar Dilution mechanism set forth in clause (b) above. Such dilution shall be applied before any conversion of the Canadian Member's Class I Interest, Class J Interest or Class K Interest, as applicable, into a Class B Interest as described in subclause (a)(ii) above. For the avoidance of doubt, no Canadian Member shall be treated as a Defaulting Member or a Payment Defaulting Member and none of the rights or remedies provided in this Paragraph 3.7 shall be available with respect to any Canadian Member, so long as such Canadian Member is not in default of any of its financial obligations under its Operating Agreement, its Expansion Agreement or any other Indebtedness.

(d) Nothing in this Paragraph 3.7 shall be deemed to modify or limit in any way the provisions of Paragraph 6.5.6.

ARTICLE 4
DISTRIBUTIONS OF CASH

4.1 Timing of Distributions. Except as otherwise provided in Article 9 of this Agreement, within 30 business days after the end of each fiscal year, the Board of Governors shall cause all Distributable Cash, if any, to be distributed to the Members in accordance with Paragraph 4.2. In its sole discretion, the Board of Governors may cause interim distributions to be made on a quarterly basis as an advance against amounts to be distributed pursuant to this Paragraph 4.1, provided that each Member shall promptly repay to the Company on the request of the Board of Governors any excess of such interim distributions over the amount of distributions pursuant to this Paragraph 4.1 to which the Member is ultimately determined to be entitled.

4.2 Sharing of Distributions. Except as otherwise provided in Paragraph 4.3 and Article 9 of this Agreement, distributions of Distributable Cash pursuant to Paragraph 4.1 shall, subject to Paragraphs 4.4, 4.5 and 13.5, be made to the Members in the following order of priority:

(a) First, to the Class E Members, the Class I Member, the Class J Member and the Class K Member (to be divided among them pro rata in accordance with their relative Ownership Percentages) until the aggregate amount distributed to such Members pursuant to this Paragraph 4.2(a) equals the Total Contribution Amount, it being understood that (i) one or more Class E Members may receive more than its Class E Capital Amount, (ii) the Class I Member may receive more than the Class I Contribution Amount, (iii) the Class J Member may receive more than the Class J Contribution Amount and (iv) the Class K Member may receive more than the Class K Contribution Amount (as applicable), in each case in clauses (i)-(iv), as a result of this Paragraph 4.2(a);

(b) Second, an amount equal to the product of (i) the taxable income so allocated to such Member for such fiscal year and (ii) a percentage equal to the sum of (x) the highest applicable United States federal income tax rate(s) for individuals with respect to the items of income included in such amount plus (y) 6.64%. Any distributions made to a Member under this Paragraph 4.2(b) shall reduce and be offset against, the first amounts the Member is otherwise entitled to receive under Paragraphs 4.2(c) and Paragraph 4.3(b); and

(c) Third, the balance, if any, among all of the Members, in proportion to their respective Ownership Percentages.

Notwithstanding anything to the contrary in this Agreement, each Member who became a Member after June 25, 2004 may be subject to additional restrictions on its right to participate in distributions as and to the extent expressly set forth in such Member's Expansion Agreement or any other written agreement between such Member and the Company or any of its Subsidiaries.

4.3 Distributions From a Liquidating Transaction. Subject to the dissolution and liquidation provisions of Article 9 and notwithstanding Paragraph 4.2, all distributions of Liquidating Transaction Proceeds shall, subject to Paragraphs 4.4, 4.5 and 13.5, be made to the Members in the following order of priority:

(a) to the Class E Members, the Class I Member, the Class J Member and the Class K Member (to be divided among them pro rata in accordance with each Class E Member's

Class E Capital Amount, the Class I Contribution Amount, the Class J Contribution Amount and the Class K Contribution Amount, respectively) until (i) the aggregate amount distributed to each Class E Member with respect to its Class E Units pursuant to this Paragraph 4.3(a) and Paragraph 4.2(a) equals such Class E Member's Class E Capital Amount, (ii) the aggregate amount distributed to the Class I Member pursuant to this Paragraph 4.3(a) and Paragraph 4.2(a) equals the Class I Contribution Amount, (iii) the aggregate amount distributed to the Class J Member pursuant to this Paragraph 4.3(a), Paragraph 4.2(a) and Section 5.7(b)(i) of the MLS Canada LP Agreement equals the Class J Contribution Amount, and (iv) the aggregate amount distributed to the Class K Member pursuant to this Paragraph 4.3(a), Paragraph 4.2(a) and Section 5.7(b)(ii) of the MLS Canada LP Agreement equals the Class K Contribution Amount, it being understood that no Member shall be entitled to receive any distributions under this Paragraph 4.3(a) after the condition in clause (i), (ii), (iii) or (iv), as applicable, has been satisfied with respect to such Member, such that in no event may any Class E Member receive more than its Class E Capital Amount, nor may the Class I Member, the Class J Member or the Class K Member receive more than the Class I Contribution Amount, the Class J Contribution Amount or the Class K Contribution Amount, respectively, as a result of this Paragraph 4.3(a); and

(b) Second, the balance, if any, among all of the Members in proportion to their respective Ownership Percentages.

4.4 Distributions to the Class J Member and the Class K Member. Notwithstanding anything to the contrary in this Article IV or any other provision of this Agreement, in the event that the Class J Member or the Class K Member receives any distribution from MLS Canada LP under the MLS Canada LP Agreement, the amount that would otherwise be distributable to such Member under Paragraphs 4.2 and 4.3 shall be reduced by an amount equal to (x) the aggregate amount of all distributions made by MLS Canada LP to such Member under the MLS Canada LP Agreement minus (y) the aggregate amount by which SUM has reduced its distributions to such Member under Section 5.4 of the SUM LLC Agreement, and the amount of such reduction in the distribution to such Member hereunder shall be distributed to the other Members. For the avoidance of doubt, in such event, for purposes of determining the amount of such Member's entitlement to distributions under Paragraph 4.3, such Member shall be treated as having received an amount equal to such reduction in the distribution to it.

4.5 Prohibited Distributions. Notwithstanding anything in this Agreement to the contrary, the Company, and the Board of Governors on behalf of the Company, shall not make a distribution to any Member if such distribution would violate Section 18-607 of the Act or other applicable law.

ARTICLE 5
ALLOCATIONS OF PROFITS AND LOSSES

5.1 In General. Profits and Losses of the Company shall be determined and allocated with respect to each fiscal year of the Company (and for such other periods as may be required by this Agreement) as of the end of such year or period, as the case may be. Subject to the other provisions of this Article 5, an allocation to a Member of a share of Profits or Losses shall be treated as an allocation of the same share of each item of income, gain, loss and deduction that is taken into account in computing Profits or Losses.

5.2 Losses. Subject to the provisions of Paragraphs 5.4 and 5.5, all Losses for a fiscal year or period shall be allocated as follows:

(a) First, to the Class A/E Members, the Class I Member, the Class J Member, the Class K Member and any Class E Member that is not a Class A/E Member, in proportion to their respective Ownership Percentages; provided, however that (i) no Losses shall be allocated under this Paragraph 5.2(a) to a Member to the extent such allocation would cause such Member to incur an Adjusted Contribution Account Deficit or increase its Adjusted Contribution Account Deficit and (ii) no Losses shall be allocated under this Paragraph 5.2(a) to any Payment Defaulting Member; and

(b) Thereafter, to the Members, if any, with positive balances in their Adjusted Contribution Accounts, in proportion to their Ownership Percentages; provided, however that no Losses shall be allocated to a Member under this Paragraph 5.2(b) to the extent such allocation would cause such Member to incur an Adjusted Contribution Account Deficit or increase its Adjusted Contribution Account Deficit.

5.3 Profits. Subject to the provisions of Paragraphs 5.4 and 5.5, all Profits for a fiscal year or period shall be allocated as follows:

(a) First, to the Members described in Paragraph 4.2(a), in such manner and proportions as may be necessary to cause the Adjusted Contribution Account of each Member described therein to be equal to the amount that would be distributed to such Member pursuant to Paragraph 4.2(a) if an amount equal to the sum of such Adjusted Contribution Accounts were distributed, such allocation to be determined before giving effect to distributions made under Paragraph 4.2(a) with respect to such fiscal year or period; and

(b) Thereafter, to all of the Members in proportion to their respective Ownership Percentages.

5.4 Allocations on a Liquidating Transaction. Notwithstanding any other provision of this Article 5 to the contrary, upon the occurrence of a Liquidating Transaction, all items of Company income, gain, loss and deduction for the taxable year in which such Liquidating Transaction occurs and subsequent taxable years, and if such event occurs prior to April 15th of any year, for the immediately preceding taxable year (to the extent permitted under Code Sections 706(d) and 761(c)), shall be allocated among the Members so as to bring their respective Contribution Account balances to the amounts and proportions necessary so that distributions made in accordance with Paragraph 4.3 would be made in accordance with the Members' respective Contribution Account balances ("Targeted Contribution Account Balances"). For purposes of initially calculating the Contribution Account balances under this Paragraph 5.4, the Contribution Accounts of the Members shall be determined before giving effect to distributions under Paragraph 4.3 and Article 9 of Liquidating Transaction Proceeds. If the Company has insufficient items of income, gain, loss and deduction to bring each Member's Contribution Account balance to its Targeted Contribution Account balance, the available amounts shall be allocated as follows:

(i) First, so as to bring the Class E Members', the Class I Member's, the Class J Member's and the Class K Member's Contribution Account balances to the amounts that the Class E Members, the Class I Member, the Class J Member and the Class K Member are then entitled to, respectively, under Paragraph 4.3(a) (or pro rata in proportion thereto, if the items available to be so allocated are insufficient); and

(ii) Thereafter, so as to bring the Members' relative Contribution Account balances into the same proportion as their Targeted Contribution Account Balances (with both such Contribution Account balances and Targeted Contribution Account Balances reduced for this purpose by the amounts of the distributions referred to in clause (i) hereof as if such distributions had been made) (or pro rata in proportion thereto, if the items available to be so allocated are insufficient).

5.5 Regulatory Allocations and Curative Provisions.

5.5.1 Minimum Gain Chargeback. Notwithstanding any other provision of this Article 5, if there is a net decrease in Company Minimum Gain during any Company fiscal year, each Member shall be specially allocated items of Company income and gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g)(2), that is allocable to the disposition of Company property subject to Nonrecourse Liabilities, determined in accordance with Regulations Section 1.704-2(b).

The items of income and gain to be so specially allocated pursuant to this Paragraph 5.5.1 shall be determined in accordance with Regulations Sections 1.704-2(f) and 1.704-2(j)(2). This Paragraph 5.5.1 is intended to comply with the minimum gain chargeback requirement of Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

5.5.2 Member Minimum Gain Chargeback. Notwithstanding any provision of this Article 5 to the contrary (except as required by Regulations Section 1.704-2(j)(2)), if there is a net decrease in Member Minimum Gain attributable to a Member Nonrecourse Debt during any Company fiscal year, each Member who has a share of the Member Minimum Gain attributable to such Member Nonrecourse Debt as of the beginning of that year, determined in accordance with Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such fiscal year (and, if necessary, subsequent years) in an amount equal to such Member's share of such net decrease in Member Minimum Gain attributable to such Member Nonrecourse Debt that is allocable to the disposition of Company property subject to such Member Nonrecourse Debt, determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2).

This Paragraph 5.5.2 is intended to comply with the partner nonrecourse debt minimum gain chargeback requirement of Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

5.5.3 Qualified Income Offset. Subject to Paragraph 5.5.5 of this Agreement, if any Member unexpectedly receives any adjustment, allocation or distribution described in

Paragraph 2.5.2 that creates or increases an Adjusted Contribution Account Deficit for such Member, items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by Regulations Sections 1.704-1(b)(2)(ii)(d), the Adjusted Contribution Account Deficit of such Member as quickly as possible; provided, however, that an allocation pursuant to this Paragraph 5.5.3 shall be made if and only to the extent that such Member would have an Adjusted Contribution Account Deficit after all other allocations provided for in this Article 5 have been tentatively made as if this Paragraph 5.5.3 were not in this Agreement. It is intended that this Paragraph 5.5.3 qualify and be construed as a "qualified income offset" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(d).

5.5.4 Gross Income Allocation. Subject to Paragraph 5.5.5 of this Agreement, if any Member has an Adjusted Contribution Account Deficit at the end of any Company fiscal year, such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible; provided, however, that an allocation pursuant to this Paragraph 5.5.4 shall be made if and only to the extent that such Member would have an Adjusted Contribution Account Deficit in excess of such sum after all other allocations provided for in this Article 5 have been tentatively made as if Paragraph 5.5.3 of this Agreement and this Paragraph 5.5.4 were not in this Agreement.

5.5.5 Priority of Allocation. If special allocations are required under Paragraphs 5.5.1, 5.5.2, 5.5.3, 5.5.4, 5.5.6 or 5.5.7 of this Agreement in any fiscal year, such allocations shall be made in the following order of priority:

(a) first, pursuant to Paragraph 5.5.1 to the extent required thereunder;

(b) second, pursuant to Paragraph 5.5.2 to the extent required thereunder, after taking into account allocations pursuant to Paragraph 5.5.1;

(c) third, pursuant to Paragraph 5.5.3, to the extent required thereunder, after taking into account allocations pursuant to Paragraphs 5.5.1 and 5.5.2;

(d) fourth, pursuant to Paragraph 5.5.4, to the extent required thereunder after taking into account allocations pursuant to Paragraphs 5.5.1, 5.5.2 and 5.5.3;

(e) fifth, pursuant to Paragraph 5.5.6, to the extent required thereunder after taking into account allocations pursuant to Paragraphs 5.5.1, 5.5.2, 5.5.3 and 5.5.4; and

(f) sixth, pursuant to Paragraph 5.5.7, to the extent required thereunder after taking into account allocations pursuant to Paragraphs 5.5.1, 5.5.2, 5.5.3, 5.5.4 and 5.5.6.

5.5.6 Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Members in accordance with their Ownership Percentages.

5.5.7 Member Nonrecourse Deductions. Member Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i).

5.5.8 Section 754 Adjustment. To the extent that an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to Regulations Section 1.704-1(b)(2)(iv)(m).

5.5.9 Excess Nonrecourse Liabilities. Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section 1.752-3(a)(3), the Members' interests in Company profits are as provided for in Paragraph 4.2(c).

5.5.10 Best Efforts Regarding Distributions. To the extent permitted by Regulations Sections 1.704-2(h) and 1.704-2(i)(6), the Board of Governors shall use its reasonable best efforts to treat distributions of Distributable Cash as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt only to the extent that such distributions would not cause or increase an Adjusted Contribution Account Deficit for any Member.

5.5.11 Limitation on Losses. A Net Loss that is not allocated to a Member under Paragraph 5.2 because such allocation would cause such Member to incur an Adjusted Contribution Account Deficit or would increase its Adjusted Contribution Account Deficit shall be allocated to the other Members in accordance with Paragraph 5.2 subject to the limitations set forth therein.

5.5.12 Curative Allocations. The Members acknowledge that all distributions (including distributions upon liquidation of the Company) are intended to be made in accordance with the priorities set forth in Article 4 of this Agreement and that the Members' Contribution Accounts are intended to reflect the manner in which such distributions are intended to be made. The allocations set forth in Paragraphs 5.5.1, 5.5.2, 5.5.3, 5.5.4, 5.5.6, 5.5.7 and 5.5.11 of this Agreement (the "Regulatory Allocations") are intended to comply with certain requirements of Regulations Sections 1.704-1(b) and 1.704-2, but may result in distortions of the Member's Contribution Accounts in relation to the distributions that each Member is intended to receive from the Company. In the event items of Company income, gain, loss or deduction are allocated pursuant to the Regulatory Allocations and are not offset by other Regulatory Allocations, offsetting allocations of items of Company income, gain, loss or deduction shall subsequently be made to the Members in such manner as the Board of Governors deems appropriate so as to achieve as nearly as possible the results that would have been achieved had the Regulatory Allocations not been included in this Agreement and all items of Company income, gain, loss and deduction had been allocated pursuant to Paragraphs 5.1 through 5.4 (except that no

allocation shall be made that would contravene Regulations Section 1.704-1(b)(2)(ii)(d)). If the Board of Governors shall reasonably determine, by a Super Majority Vote, that the manner in which any allocations made under this Article 5 should be modified in order to comply with Section 704(b) or Section 704(c) of the Code and the Regulations thereunder, the Board of Governors may make such modifications. Without limiting the generality of the foregoing, in the event the amount of a distribution to the Class J Member or the Class K Member shall be reduced under Paragraph 4.4, the allocation of Losses under Paragraph 5.2 or Profits under Paragraph 5.3 shall be modified as necessary so that the allocations reflect the such Member's economic interest in the Company as a result of the application of that paragraph.

5.6 Allocation of Taxable Income and Tax Losses.

5.6.1 In General. Except as provided in Paragraphs 5.6.2 and 5.6.3, each item of income, gain, loss and deduction of the Company for federal income tax purposes shall be allocated among the Members in the same manner as such item is allocated for book purposes under the provisions of Paragraphs 5.2 through 5.5.

5.6.2 Recapture Income. To the extent of any recapture income (as defined below) resulting from the sale or other taxable disposition of a Company asset, the amount of any gain from such disposition allocated to (or recognized by) a Member (or its successor in interest) for federal income tax purposes shall be deemed to consist of recapture income to the extent such Member (or such Member's predecessor in interest) has been allocated or has claimed any deduction directly or indirectly giving rise to the treatment of such gain as recapture income in a manner consistent with the provisions of Treasury Regulation Section 1.1245-1(e). For this purpose "recapture income" shall mean any gain recognized by the Company upon the disposition of any property or asset of the Company that does not constitute capital gain for federal income tax purposes because such gain represents the recapture of deductions previously taken with respect to such property or assets.

5.6.3 Allocation of Section 704(c) Items. The Members recognize that with respect to property contributed to the Company by a Member and with respect to property revalued in accordance with Regulations Section 1.704-1(b)(2)(iv)(f), there may be a difference between the Gross Asset Value of such property at the time of contribution or revaluation, as the case may be, and the adjusted tax basis of such property at that time. All items of income, gain, loss and deduction with respect to such property shall be allocated among the Members in accordance with the provisions of Sections 704(b) and 704(c) of the Code and the Regulations under those Sections using the traditional method provided in Regulations Section 1.704-3(b).

5.7 Changes in Interests. Upon the admission of an additional Member or the Transfer of an Interest, or at such other time as is necessary to determine Profits, Losses or other items allocable to a particular period, the Board of Governors shall determine the proper allocation of Profits, Losses and items of income, gain, loss, deduction and credit to the periods before and after such admission or Transfer, or to the period in question, using any method permitted under Code Section 706 and the Regulations thereunder.

5.8 Members' Tax Reporting. The Members acknowledge and are aware of the income tax consequences of the allocations made by this Article 5 and hereby agree to be bound

by the provisions of this Article 5 in reporting their shares of Company income, gain, loss and deductions for federal, state and local income tax purposes.

ARTICLE 6
MANAGEMENT OF THE COMPANY

6.1 Management of the Company.

6.1.1 The Members shall, through their representatives as described in Paragraph 6.5.1(c) below, comprise the Board of Governors and, through the Board of Governors, shall be the "managers" (within the meaning of the Act) of the Company. Except as otherwise expressly provided in this Agreement, the Board of Governors shall have the sole right and authority to manage, control and make all decisions affecting the business and affairs of the Company. The Board of Governors is hereby authorized to take any action of any kind and to do anything and everything they deem necessary or appropriate to carry out the purposes of the Company as set forth in Paragraph 1.3 of this Agreement, in accordance with the provisions of this Agreement, the Operating Agreements and applicable law. Except as otherwise expressly provided in this Agreement, all Company actions, decisions, consents, approvals, determinations and elections required or permitted to be made pursuant to this Agreement or otherwise shall be made by the Board of Governors by a Super Majority Vote. All such Company actions, decisions, consents, determinations and elections made or taken by the Board of Governors shall be binding upon all the Members.

6.1.2 The actions of the Board of Governors, in accordance with this Agreement, shall bind the Company. Except as otherwise expressly provided in this Agreement, the Members acting other than through the Board of Governors shall not participate in the control of the Company, and shall have no right, power or authority to act for or on behalf of, or otherwise bind, the Company.

6.1.3 The Board of Governors shall have the power and authority to delegate to one or more other Persons the rights and powers of the Board of Governors to manage and control the business and affairs of the Company, including to delegate to agents and employees of a Member or manager of the Company, and to delegate by management agreement or other agreement or otherwise to other Persons, including without limitation, the Operating Agreements. The Board of Governors shall have the sole power and authority to bind the Company, except and to the extent that the Board of Governors expressly delegates in writing such power to any other Person or Persons, provided that such delegation shall not cause any Member to cease to be a Member or a manager of the Company.

6.1.4 The Board of Governors may employ and retain Persons as may be necessary or appropriate for the conduct of the Company's business, including employees and agents who may be designated as officers with titles including but not limited to "commissioner," " deputy commissioner," "chairman," "president," "chief operating officer," "vice president," "treasurer," "secretary," "general manager," "director" and "chief financial officer."

6.1.5 The Board of Governors shall have the sole authority to file a petition or other request for federal or other bankruptcy or insolvency protection.

6.1.6 Each Member, other than Members as of the date hereof, must have at least one (1) individual Owner who holds no less than a thirty-five percent (35%) ownership interest in the Member and who has control over the governance and decisions of the Member, unless otherwise approved by a Super Majority Vote of the Board of Governors.

6.2 MLS Constitution. The Board of Governors has adopted a constitution for the League (the "Constitution"), which sets forth, among other things, procedures governing conflicts of interest, the role and authority of the Commissioner, rules governing misconduct by players and others, transfers of membership interests, and such other matters as the Board of Governors may determine from time to time. Each Member shall be bound by and shall conduct itself in accordance with, and shall cause its Affiliates to be bound by and conduct themselves in accordance with, the Constitution, and each Member agrees not to take or support, and to cause its Affiliates not to take or support, any position or action that may violate or be inconsistent with this Agreement or the Constitution. In the event of any conflict between the terms of this Agreement and the terms of the Constitution, the terms of this Agreement shall control; provided, that in the event the Constitution imposes requirements that are in addition to, but not in direct conflict with, any requirements set forth in this Agreement, each Member and its Affiliates shall comply with both such additional requirements and the requirements of this Agreement, and no conflict shall be deemed to exist.

6.3 Affiliate Transactions. Except as contemplated by this Agreement or the Operating Agreement, any agreement, contract or arrangement between the Company and a Member or any of its Affiliates permitted by this Paragraph 6.3 shall be subject to each of the following conditions:

(a) Such agreements, contracts or arrangements shall be fully and promptly disclosed to all Members, if not previously disclosed, in one of the reports provided for in Article 10 of this Agreement, and must be approved by a Super Majority Vote (including the interested Member); and

(b) Such agreements, contracts or arrangements shall be on terms no less favorable to the Company than those that would be obtained from an unaffiliated third party in an arm's length transaction.

6.4 Duties and Obligations of the Board of Governors.

6.4.1 The Board of Governors shall take all actions that may be necessary or appropriate (a) for the continuation of the Company's existence as a limited liability company under the laws of the State of Delaware (and under the laws of each other jurisdiction in which such existence is necessary to protect the limited liability of the Members or to enable the Company to conduct the business in which it is engaged), and (b) for the continuation of the Company's authority and qualification to conduct the business of the Company in each state or other jurisdiction in which the Board of Governors determines it to be necessary.

6.4.2 The Governors shall devote to the Company such time as may be necessary for the proper performance of their duties hereunder, but no Governor shall be required to devote its full time to the performance of such duties.

6.4.3 The Board of Governors shall take such action as may be necessary or appropriate to form or qualify the Company under the laws of any jurisdiction in which the Company does business or in which such formation or qualification is necessary to protect the limited liability of the Members or to continue in effect such formation or qualification. The Board of Governors shall file or cause to be filed in the office of the appropriate authorities of the State of Delaware, and in each other jurisdiction in which the Company is formed or qualified, such certificates (including limited liability company and fictitious name certificates) and other documents as are required by the statutes, rules or regulations of such jurisdictions.

6.4.4 The Board of Governors shall prepare or cause to be prepared and shall file on or before the due date (or any extension thereof) any federal, state and local tax returns required to be filed by the Company. The Board of Governors shall cause the Company to pay any taxes payable by the Company. The Board of Governors shall also cause to be prepared and timely filed with appropriate federal and state regulatory and administrative bodies all reports required to be filed with such entities under then current applicable laws, rules and regulations. Such reports shall be prepared on the accounting or reporting bases required by such regulatory bodies. Upon the written request of any Member, the Board of Governors shall promptly provide a copy of any such reports to such Member.

6.4.5 The Board of Governors shall obtain and keep in force, or cause to be obtained and kept in force, if necessary or appropriate, in the discretion of the Board of Governors during the term hereof, fire and extended coverage, worker's compensation and public liability insurance in favor of the Company, with such insurers and in such amounts as the Board of Governors shall deem advisable.

6.4.6 Neither the Board of Governors nor any of the Governors in their capacity as managers of the Company shall receive any salary, fees, commissions, profits, distributions or allocations, except fees, commissions, profits, distributions and allocations to which they or it may be entitled under this Agreement.

6.5 Proceedings of the Board of Governors.

6.5.1 Meetings.

(a) The Board of Governors shall conduct three (3) annual meetings during each fiscal year of the Company. Such annual meetings shall be held when called pursuant to Paragraph 6.5.2 on dates and at places to be determined by the Board of Governors. In addition to such annual meetings, special meetings of the Board of Governors may be called at any time whenever a request is made for such meeting by Notice from (i) the Commissioner (as such term is defined in the Constitution) or (ii) Members holding fifty percent (50%) or more of the Ownership Percentages.

(b) Each Member shall be represented on the Board of Governors by a governor (a "Governor") appointed by such Member and who may be replaced at will by such

Member. Governors are required to attend all meetings of the Board of Governors. Each Member's Governor must be a principal Owner of such Member, provided that each Member may also appoint an alternate Governor (an "Alternate Governor"), who must be a senior director or officer of such Member. Each Member's Governor, and each Alternate Governor who attends a meeting of the Board of Governors in lieu of its Governor, shall be vested with the full power and authority to represent such Member and to bind such Member by his or her vote. In no event may any player or coach, or any person having only the title or only serving in the capacity as general manager, serve as a Governor or an Alternate Governor or vote at any meeting of the Board of Governors. Each Member shall submit to the Commissioner in writing the name of its Governor and any Alternate Governor. The authority of such Governor and Alternate Governor shall become effective only after the name of such Governor or Alternate Governor has been filed with and approved by the Commissioner. A Governor or Alternate Governor may be removed with substantial cause by Super Majority Vote. If a Governor is so removed, the Member that appointed such Governor must appoint a new Governor within ten (10) days of such removal.

(c) Unless the Notice requesting a meeting states that all Governors desiring to participate in such meeting must be present in person, one or more Governors may participate in a meeting of the Board of Governors by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

(d) The Board of Governors may establish one or more Committees as it deems necessary or appropriate. Each Committee may exercise those powers of the Board of Governors that have been delegated to such Committee by the Board of Governors. The Commissioner is authorized to designate the members of each Committee, subject to the terms of any Constitution; provided, however, that the Executive Committee shall consist of four (4) Governors, each of whom shall be designated by the Commissioner and subject to approval by the Board of Governors by a Super Majority Vote.

6.5.2 Notice of Meetings. Prior Notice shall be given of all meetings of the Board of Governors, each such Notice to set forth so far as is reasonably possible the purpose for which the meeting is called. Such Notice shall be given sufficiently in advance of the meeting so that in normal course the Notice will be received no later than ninety-six (96) hours prior to the meeting. Notice of a meeting may be waived by any Governor as to that Governor.

6.5.3 Quorum. Governors appointed by Members holding a majority of the Ownership Percentages of those Members who are not specifically precluded under the terms of this Agreement or the Operating Agreement from voting shall constitute a quorum for the transaction of any business by the Board of Governors unless otherwise provided in the rules and regulations adopted by the Board of Governors. No quorum, once present, shall be broken by the departure of any Person on the Board of Governors. If any Expansion Member has been granted the right to appoint a Governor and the corresponding voting rights pursuant to Paragraph 6.5.4(b) below, then, for purposes of this Paragraph 6.5.3, such Expansion Member's and the other Members' respective Ownership Percentages shall be calculated in the manner described in the last sentence of Paragraph 6.5.4(b).

6.5.4 Vote Required at Meetings.

(a) Subject to the other provisions of this Agreement requiring a different vote, questions arising at meetings of the Board of Governors shall be decided by a Super Majority Vote. Each Governor shall have a number of votes equal to the Ownership Percentage of the Member that appointed such Governor. Voting by proxy shall not be allowed.

(b) Notwithstanding anything to the contrary in this Agreement, the Board of Governors, by a Super Majority Vote, may (but shall not be required to) grant any Person who is obligated to acquire an Interest on a future date pursuant to and subject to the terms and conditions of an Expansion Agreement (an "Expansion Member") the right to appoint a Governor to the Board of Governors during the period beginning on the effective date of such Expansion Agreement and continuing until the earlier of (x) the date on which such Expansion Agreement terminates (in which case, such Expansion Member shall cause its Governor to promptly resign from the Board of Governors and all Committees) and (y) the date on which such Expansion Member becomes a Member. In such event, solely for purposes of this Article 6, (i) notwithstanding that such Expansion Member is not a Member during such period, such Expansion Member and the Governor appointed by such Expansion Member shall have a number of votes equal to the Ownership Percentage that such Expansion Member will acquire on such future date pursuant to such Expansion Agreement (subject to any limitations set forth in such Expansion Member's Expansion Agreement with respect to the matters on which such Expansion Member or its Governor is permitted to vote) and (ii) each other Member and each Governor appointed by each other Member will have a number of votes equal to the Ownership Percentage that such Member will have on such future date after giving effect to such Expansion Member's acquisition of its Interest.

6.5.5 Written Resolution Out of Meeting. Any action or resolution which may be taken or adopted at a meeting of the Board of Governors (or all Members of the Company) may be taken or adopted without prior notice by an instrument in writing setting forth the action so taken or the resolution so adopted manually signed or consented to by facsimile or telex by Members holding at least seventy-five percent (75%) of the Ownership Percentages of those Members who are not specifically precluded under the terms of this Agreement or the Operating Agreement from voting on such action or resolution. If any Expansion Member has been granted the right to appoint a Governor and the corresponding voting rights pursuant to Paragraph 6.5.4(b) above, then, for purposes of this Paragraph 6.5.5, such Expansion Member's and the other Members' respective Ownership Percentages shall be calculated in the manner described in the last sentence of Paragraph 6.5.4(b).

6.5.6 Forfeiture of Voting Rights. In the event that any Member fails to pay or discharge such Member's pro rata portion of the Capital Call (as defined in Paragraph 3.5 of this Agreement) or Requested Capital (as defined in the SUM LLC Agreement) or pay any other Indebtedness within the one-hundred twenty (120) day period following the date such Capital Call, Requested Capital or Indebtedness is due, any Governor or Alternate Governor appointed by such Member shall immediately forfeit the right to attend any meeting of the Board of Governors and such Member shall also forfeit any and all rights to vote, until such Member fully pays or discharges its pro rata portion of the Capital Call, Requested Capital or Indebtedness, including any interest accrued on such amount due to the late payment thereof. The foregoing

sentence shall not be construed to limit any other right or remedy that the Company or any other Member may have under this Agreement, any Operating Agreement or Expansion Agreement, or any other agreement or any applicable law in connection with such Member's failure to pay or discharge its pro rata portion of any Capital Call, Requested Capital or Indebtedness.

6.6 Budget Review. The Board of Governors shall cause to be prepared each year (in such form and detail as the Board of Governors shall determine) a draft operating budget (including a cash flow and expenditure forecast) for the Company in respect of the next fiscal year of the Company (the "Annual League Budget") subject to policies and procedures to be established by the Board of Governors from time to time. The Annual League Budget shall include the Company's projected total budget, itemized projected expenses (including without limitation expenditures on operations, marketing, licensing, player salaries and other player costs, management compensation and general and administrative expenses) and anticipated revenues (including without limitation projected share of Team revenue).

6.7 Other Business of Members. Subject to Paragraph 13.3 of this Agreement, any Member, its Affiliates, or any of their respective officers, directors, shareholders, partners, members, managers, employees, representatives or agents, or any officer, employee, representative or agent of the Company or its Affiliates, or the Persons in the Officer Group or the Persons on any Committee (each, a "Related Party") may engage independently or with others in other business ventures of every nature and description. Nothing in this Agreement or the Operating Agreement shall be deemed to prohibit a Related Party from dealing, or otherwise engaging in business with, Persons transacting business with the Company, or from providing services related to the purchase, sale, financing, management, development or operation of real or personal property and receiving compensation therefor, not involving any rebate or reciprocal arrangement that would have the effect of circumventing any restriction set forth herein upon dealings with the Related Party.

6.8 Limitation on Liability of Board of Governors; Indemnification. None of the Members, Governors, Alternate Governors, Persons on any Committee or Persons in the Officer Group (collectively, the "Indemnified Parties") shall be liable, responsible or accountable in damages or otherwise to any Member or the Company for any act or omission performed or omitted by it within the scope of its duties and authority hereunder; provided, however, that none of the Indemnified Parties shall be relieved of liability with respect to any claim, issue or matter as to which it shall have been adjudged to be liable for gross negligence, fraud or bad faith in the performance of its duties hereunder. To the fullest extent permitted by law, the Company shall indemnify and hold harmless any Indemnified Party from and against any and all losses, claims, demands, liabilities, expenses (including all fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings in which the Indemnified Party may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the affairs of the Company, or its being a Member, Governor, Alternate Governor, or officer, director, shareholder, partner, member, manager, employee, representative or agent of the Company, or a Person serving on any Committee or a Person serving at the request of the Company, which relates to or arises out of the Company, its property, its business or affairs, and regardless of whether the liability or expense accrued at or relates to, in whole or in part, any time before, on or after the date hereof. An Indemnified Party shall not be entitled to indemnification under this Paragraph 6.8 if such loss, claim, demand,

liability, expense, judgment, fine, settlement or other amount is adjudged to be the result of the Indemnified Party's gross negligence, fraud or bad faith in the performance of its duties hereunder. The satisfaction of any obligation to indemnify and hold the Indemnified Parties harmless shall be from and limited to Company assets (including any Undrawn Capital Commitments) and any insurance purchased and maintained pursuant to Paragraph 6.9.2, and no Member shall have any personal liability on account thereof.

6.9 Expenses, Insurance and Duties.

6.9.1 Expenses. To the fullest extent permitted by law, expenses (including legal fees) incurred by an Indemnified Party in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Indemnified Party to repay such amount if it shall be determined that the Indemnified Party is not entitled to be indemnified as authorized in Paragraph 6.8 of this Agreement.

6.9.2 Insurance. The Company may purchase and maintain insurance, to the extent and in such amounts, as the Board of Governors shall, in its sole discretion, deem reasonable, on behalf of Indemnified Parties and such other Persons as the Board of Governors shall determine, against any liability that may be asserted against or expenses that may be incurred by such Indemnified Party or such Person in connection with activities of the Company or such indemnities, regardless of whether the Company would have the power to indemnify such Indemnified Party or such Person against such liability under the provisions of this Agreement.

6.9.3 Duties. To the extent that, at law or in equity, an Indemnified Party has duties (including fiduciary duties) and liabilities relating thereto to the Company or to the Members, the Indemnified Party acting in connection with the Company's business or affairs shall not be liable to the Company or to any Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of an Indemnified Party otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Indemnified Party.

ARTICLE 7
INCAPACITY OF MEMBERS

7.1 Incapacity of Member.

7.1.1 Intentionally Omitted.

7.1.2 Option to Purchase. The Company shall have the option (the "Option") to purchase the Interest of a Member for the fair market value of such Interest, as determined pursuant to Paragraph 7.1.3, and on such other terms and conditions as required by a Super Majority Vote, upon the Incapacity of such Member. The Company may exercise the Option by delivering Notice of such exercise (the "Exercise Notice") to such Member (or such Member's executor, administrator, trustee, committee, guardian, conservator or receiver of its estate) within 30 days after the Company is notified of such Incapacity.

7.1.3 Exercise Procedures.

(a) Determination of Fair Market Value. Upon delivery of the Exercise Notice, the parties shall attempt in good faith to agree upon the fair market value of the Member's Interest. If, within 15 days after the date the Exercise Notice is delivered, the parties are unable to agree upon such fair market value, either party may by written Notice to the other appoint an Appraiser. Within five (5) business days after such Notice of appointment is given, the party receiving such Notice of appointment shall deliver to the other party a written response either accepting such Appraiser as the Appraiser to carry out the valuation procedure, or requesting that the AAA make the appointment of the Appraiser within five (5) business days after it is requested to do so. The Appraiser so appointed shall give its estimation of the fair market value of the Interest within twenty (20) days after the appointment of the Appraiser. The decision of the Appraiser shall constitute the value of the Interest for the purposes of this Paragraph 7.1 and shall be conclusive and binding upon the parties.

(b) Costs. If the decision of the Appraiser is within 10% of the estimate one of the parties was willing to accept before the appointment of the Appraiser but not within 10% of such estimate of the other party or if the other party made no estimate, such other party shall pay all the fees and expenses of the Appraiser and the AAA, if any. Otherwise, each party shall pay one-half of the fees and expenses of the Appraiser and the AAA, if any.

(c) Definition. The term "Appraiser" shall mean a person or firm experienced and nationally recognized in the valuation of comparable interests in sports enterprises.

7.1.4 Non-Operator Members. The Company shall also have the right to exercise the Option with respect to the Interests of any Class B Member (such Class B Members are referred to in this Paragraph 7.1.4 collectively as the "Non-Operator Members") in accordance with Paragraphs 7.1.2 and 7.1.3 above, on such other terms and conditions as required by a Super Majority Vote, upon the occurrence of any of the following events and a Super Majority Vote:

(a) If a Non-Operator Member commits any act of fraud, willful misconduct or gross negligence in connection with the Company, is convicted by a trial court of, or pleads guilty or no contest to, a felony, or to another crime or offense which involves moral turpitude or which may adversely affect the reputation of the Company; provided, however, that in the case of willful misconduct or gross negligence of a sort that is, in the judgment of the Board of Governors curable, the Non-Operator Member shall be given a reasonable opportunity to cure such willful misconduct or gross negligence upon receipt of written notice from the Company; and

(b) Upon determination by the Board of Governors that a Non-Operator Member has Failed to Act in the Best Interest of the Company (as defined below). In determining whether a Non-Operator Member has "Failed to Act in the Best Interest of the Company," the Board of Governors may consider the following:

(i) the compliance by the Non-Operator Member with the terms of this Agreement; and/or

(ii) the failure or refusal by the Non-Operator Member to fulfill its contractual obligations to the Company in such a way as to affect the Company materially and adversely.

The purchase price for such Interest shall be equal to the fair market value as determined in accordance with Paragraph 7.1.3 above.

ARTICLE 8
TRANSFERS OF MEMBERS' INTERESTS; ADMISSION OF SUBSTITUTED MEMBERS

8.1 Restrictions on Transfers of a Member's Interest.

8.1.1 Except as otherwise provided in Paragraphs 8.1.3, 8.2 and 8.3 below or a Transfer to the Company of a Member's Interest pursuant to this Agreement or an Operating Agreement, a Member may not Transfer or permit a Transfer of its Interest or any Member Equity and the Company need not recognize any such Transfer, except upon approval by a Super Majority Vote (excluding the Member by or in which a Transfer is proposed), which approval may be given or withheld, with or without cause, or conditioned in the sole discretion of such nontransferring Members. The Company need not recognize for any purpose any Transfer of any Interest or any Member Equity unless (a) there shall have been filed with the Company a duly executed and acknowledged counterpart of the instrument making such Transfer, and (b) the instrument making such Transfer (i) evidences the written acceptance by the transferee of all of the terms and provisions of this Agreement, and (ii) represents and warrants that the Transfer was made in accordance with all applicable laws and regulations (including any investor suitability standards), and (iii) in all other respects is reasonably satisfactory in form and content to the Board of Governors. Transferees of Interests pursuant to Transfers made in accordance with this Article 8 shall be recognized as such upon the closing of the Transfer or such other date as approved by a Super Majority Vote (excluding the Member by or in which a Transfer is proposed).

8.1.2 Any Member who Transfers all of its Interest in accordance with the terms of this Agreement shall cease to be a Member; provided, however, that such Member shall not be released from any obligation it may have to make Capital Contributions to the Company pursuant to an outstanding Capital Commitment. The rights of a transferee of all of an Interest who does not become a Substituted Member shall be limited to the receipt of its share of distributions and allocations of Profits and Losses (and items thereof) as determined under this Agreement. No Member may make a Transfer of all or any portion of its Interests in the Company unless all Interests (including Interests of different classes) of such Member are Transferred concurrently to the same Transferee.

8.1.3 Upon the Incapacity of a Member, or a Transfer of any Interest or Member Equity occurring as the result of the Incapacity of any Person, that Member's or Person's executor, administrator, trustee, committee, guardian, conservator, or receiver of its

estate, shall become a transferee of such Interest or Member Equity and, subject to Paragraph 7.1.2 above, shall have all of the rights of the transferor for the purpose of settling or managing its estate. However, any Transfer of such Interest or Member Equity by such executor, administrator, trustee, committee, guardian, conservator or receiver shall be subject to the restrictions on Transfers set forth in this Article 8.

8.1.4 The Members expressly acknowledge the parties' intention that the Company not be classified as a "publicly traded partnership" within the meaning of Code Section 7704(b) or become subject to, the reporting requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, or an equivalent provision of any state securities law (a "Securities Law"). Each Member, for its own account as well as on behalf of all successors and assigns, hereby covenants and agrees not to take any action, including any attempt to Transfer any Member Equity, that may result in the classification of the Company as a "publicly traded partnership" within the meaning of Code Section 7704(b) or that would result in the Company becoming subject to the reporting requirements of any Securities Law. The Members further acknowledge that inadequate legal remedies are likely to exist for any breach of this Paragraph 8.1.4 and, accordingly, that the Company and any aggrieved Member shall have the right to secure injunctive relief in the event of any actual or threatened breach of a Member's obligations under this Paragraph 8.1.4.

8.1.5 Upon compliance with the provisions of this Article 8, a transferee of an Interest of a Member shall become a Substituted Member only upon compliance with the following additional conditions:

(a) The proposed transferee shall have executed a counterpart to this Agreement, and shall have executed such other instruments, including, but not limited to, the Operating Agreement (in the case of a Transfer by a Class A Member or a Canadian Member), as the Board of Governors may reasonably deem necessary or desirable, to admit such transferee as a Substituted Member; and

(b) The transferor shall have paid or caused to have been paid to the Company all of the Company's reasonable expenses connected with such Transfer and substitution (including, but not limited to, the reasonable legal and accounting fees of the Company associated with the transferee's admission as a Member of the Company).

8.1.6 Except as otherwise provided in Paragraph 8.1.3, at least 30 days prior to any Transfer of any Member Equity, the Member by or in which a Transfer is proposed (the "Transferring Member") shall give Notice to the Company of such proposed Transfer, together with all information reasonably required by counsel to the Company to make a reasonable determination as to whether such Transfer might (a) require the filing by the Company of a registration statement under the Securities Act of 1933, as amended, (b) subject the Company to the reporting requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, or an equivalent provision of any state securities law, (c) require the Company to register as an investment company under the Investment Company Act of 1940, as amended, (d) violate any applicable United States federal, state, or local law, regulation, or interpretive ruling in a manner which could have a material adverse effect on the Company, (e) terminate the status of the Company as a partnership for United States federal income tax purposes, or (f) materially

adversely affect any license or permit held by the Company. Within twenty (20) days after the receipt of such Notice and information, the Company shall notify the Transferring Member as to whether the Company has any substantial concern that any of the foregoing consequences could result from such Transfer. If the Company notifies the Transferring Member that the Company has substantial concern that any of the foregoing consequences could result from such Transfer or is not reasonably capable of making such determination, the Company may require, as a condition to the Transfer, that either (i) the Transferring Member alter the terms of the Transfer to the reasonable satisfaction of Company counsel or (ii) counsel reasonably acceptable to the Company render an opinion in form and substance reasonably acceptable to the Company that none of the foregoing consequences will or is likely to result from such Transfer; provided, however, that the Company may, by a Super Majority Vote (excluding the Transferring Member), elect not to require any such opinion; and further provided, however, that in the context of a public offering, such opinion would not be required to cover the matters described in clauses (d) and (f) above, and in any other circumstance such opinion may be limited to a "best of knowledge" standard with respect to the matters described in clauses (d) and (f) above.

8.1.7 Any purported Transfer by any Member (including assignees thereof) of any Interest not made strictly in accordance with the provisions of this Article 8 or otherwise permitted by this Agreement shall be entirely null and void. In the event of any Transfer of any Member Equity not made strictly in accordance with the provisions of this Article 8, the Company may (a) fine such Member in accordance with the terms of the Constitution, or (b) by a Super Majority Vote (excluding the Transferring Member), elect to prohibit the Member from voting in any matter from and after the date of such Transfer, or (c) to purchase the Interest of such Member for an amount equal to the fair market value of such Member's Interest (to be determined as if the Interest being purchased were a voting Interest), as determined in accordance with the procedure set forth in Paragraph 7.1.3 above, or (d) enforce any combination of the foregoing; provided, however, that in the case of any such Transfer of Member Equity that occurs by operation of law as a result of divorce or death, if no Change in Control occurs thereby, the Company may not exercise any of the foregoing options in respect of such Transfer.

8.1.8 A transferee of any Member Equity who does not become a Substituted Member who desires to make a further Transfer of any Member Equity shall be subject to all of the provisions of this Article 8 to the same extent and in the same manner as any predecessor Member desiring to make a Transfer of its Member Equity.

8.1.9 The Company shall approve or disapprove a requested Transfer hereunder within sixty (60) days following its receipt of all documents and materials reasonably requested by the Company with respect to such requested Transfer (or such additional time as is reasonably required by the Company in order to review such documents and materials). Any approval granted by the Company hereunder may be subject to the satisfaction of any and all reasonable conditions imposed by the Company, including, without limitation, the Company's receipt of an executed definitive consent agreement containing the terms and conditions of such consent to Transfer.

8.1.10 The Board of Governors may impose additional restrictions on Transfer pursuant to the Constitution, which additional restrictions shall not be deemed to be inconsistent with or conflict with the terms of this Article 8. Further, the Board of Governors may delegate

its authority under this Article 8, in whole or in part, pursuant to the Constitution, to the Commissioner, the Executive Committee or any other Committee.

8.2 Permitted Transfers. Notwithstanding anything to the contrary contained herein (except as provided in Paragraph 8.1.4), the following Transfers (each, a "Permitted Transfer") shall be permitted without the prior consent of any Members (except as provided in Paragraph 8.1.6 above or as specifically provided in clauses (c), (d) and (e) below):

(a) a Transfer of any Member Equity to any one or more of the Initial Members or to any one or more of the individuals listed on **Exhibit E** hereto, as such **Exhibit E** may be amended from time to time by the Board of Governors (the "Pre-Approved Transferees"), or to a Person that is wholly owned, directly or indirectly, by one or more of the Pre-Approved Transferees, or a trust formed for the sole benefit of, or a foundation formed by, one or more of the Pre-Approved Transferees;

(b) a Transfer of any Member Equity to any Person having a direct or indirect ownership interest in any of the Initial Members as of the date of this Agreement or to any one or more of the individuals listed on **Exhibit F** attached hereto, as such **Exhibit F** may be amended from time to time by the Board of Governors (the "Limited Pre-Approved Transferees"), or to a Person that is wholly owned, directly or indirectly, by one or more Limited Pre-Approved Transferees, or to a trust formed for the sole benefit of, or a foundation formed by, one or more of the Limited Pre-Approved Transferees, provided that any such Transfer (together with any previous Transfers) does not result in a Change in Control;

(c) if a proposed Transfer involves (x) a ten percent (10%) or smaller interest in a Member, or (y) the Transfer of a Member's Interest or Member Equity to a different entity owned by substantially the same Owners in substantially the same proportions (provided that the aggregate direct and indirect changes in ownership, if any, do not exceed ten percent (10%)), the Executive Committee shall have the power, in its sole discretion, to approve such proposed Transfer without the consent of any other Members or the Board of Governors, unless (A) the Transfer would result in any Person (or group of Persons acting in concert) that has not been approved by the Board of Governors or the Executive Committee directly or indirectly owning an interest of ten percent (10%) or larger in a Member or (B) the effect of such a proposed Transfer is or may be to change the ownership of effective control of such Member;

(d) a proposed Transfer of any Member Equity consisting of securities that are publicly traded on any generally recognized stock exchange or over-the-counter market, unless (w) the interest proposed to be transferred represents a direct or indirect interest of five percent (5%) or larger in a Member, (x) the Transfer would result in any Person (or group of Persons acting in concert) that has not been approved by the Executive Committee or the Board of Governors directly or indirectly owning an interest of at least five percent (5%) but less than ten percent (10%) in a Member, (y) the Transfer would result in any Person (or groups of Persons acting in concert) that has not been approved by the Board of Governors directly or indirectly owning an interest of ten percent (10%) or larger in a Member, or (z) the effect of such proposed Transfer is or may be to change the ownership of effective control of such Member;

(e) if a proposed Transfer is in the form of a pledge, lien or hypothecation of a Member's Interest, or any Member Equity, in connection with the incurrence by any Member or Owner of any indebtedness, the Executive Committee shall have the power, in its sole discretion, to approve such proposed Transfer without the consent of any other Members or the Board of Governors, upon and subject to such conditions as the Executive Committee may determine; or

(f) any Transfer agreed to or approved by MLS in writing prior to the date hereof.

Upon a Permitted Transfer that results in the sale, assignment or other full disposition of all of an Interest, the transferee shall, subject to Paragraphs 8.1.5 and 8.1.6 above, become a Substituted Member without the requirement of any consent of the Members.

8.3 Restrictions on Public Offerings. No public offering of any equity interest of a direct holder of Member Equity may be made unless the Board of Governors (other than the Governor appointed by the Member in which a Transfer is proposed) shall have consented thereto by a Super Majority Vote (which consent may be given or withheld, with or without cause, in the sole discretion of such Governors); provided, however, that such a public offering may be made without such consent if all of the following conditions are satisfied:

(i) No Change in Control of the Member will occur as a result of such offering;

(ii) Counsel to the Company concludes in its reasonable discretion (a) that no public disclosure of proprietary or confidential information of any other Member or Team must be made in connection with such offering or as a result of the Member's ongoing public status; provided, however, that the consolidated financial statements of the Company shall not be deemed proprietary or confidential information for purposes of this Paragraph 8.3 (excluding, however, the financial statements of individual Teams or Members) and (b) as a result of such offering, that the Company will not be deemed an "Issuer" (as defined in the Securities Act of 1933, as amended) in connection with such offering, and (c) that such offering will not result in the Company becoming subject to the reporting requirements of any Securities Law;

(iii) The Member making the offering shall reimburse the Company for any and all expenses of any kind or nature (including legal fees and accounting expenses) which it reasonably incurs in connection with the offering; and

(iv) In connection with any such public offering, the Company shall not be required to provide any audited financial statements of the Company other than the audited financial statements for its last fiscal year and prior fiscal years.

A public offering meeting the foregoing conditions shall not require the consent of any Members, but shall be subject to Paragraphs 8.1.4, 8.1.6 and 8.1.7, above. After a public offering of Member Equity made in compliance with this Paragraph, subsequent Transfers of then public Member Equity shall not require the consent of any Members and shall not be subject to Paragraphs 8.1.4, 8.1.6 or 8.1.7 so long as no such Transfer results in a Change in Control.

Any Member making a public offering shall defend, hold harmless and indemnify the Company, the other Members, each of the Governors and Alternate Governors (other than the Governor and Alternate Governors designated by such Member) and their respective directors, officers, employees, agents, partners, members, managers and shareholders (collectively, "Article 8 Indemnified Parties") from and against any and all damages, losses, costs, demands and claims of any kind whatsoever, including, without limitation, all costs, expenses and reasonable attorneys' fees incident thereto, which any of the Article 8 Indemnified Parties may at any time suffer or sustain or become liable for arising out of or in connection with the public offering.

8.4 Resignation or Withdrawals by Members. Except as otherwise provided herein, no Member may resign or withdraw voluntarily from the Company.

8.5 Section 754 Election. The Board of Governors has made an election to adjust the basis of the Company's assets pursuant to Code Section 754.

8.6 Definition of Change in Control.

8.6.1 The term "Change in Control" shall mean any Transfer that causes any Person who was not a Control Person immediately prior to such Transfer to become a Control Person (a "New Control Person"); provided that a Change in Control will not be deemed to have occurred solely by reason of any Person becoming a Control Person by operation of clause (iv), (v) or (vi) or by operation of the combination of clauses (iii) and (ix) of the definition of Control Person if the Transfer results in less than a majority in interest of the Control Equity (as defined in Paragraph 8.6.2 below) of the Member being owned by (i) New Control Persons, and (ii) Persons who previously became Control Persons in Transfers that were deemed under this proviso not to be a Change in Control.

8.6.2 As used in this Paragraph 8.6, the term "Control Equity" shall mean the aggregate beneficial interest of a Member owned directly or indirectly by all Control Persons of such Member.

8.6.3 As used in this Agreement, the term "Control Person" shall mean as to any Member (i) any Person who owns more than 50% of the beneficial interest of the Member, unless such Person has no direct or indirect voting, consent or veto rights as to the Member; or (ii) any Pre-Approved Transferee; or (iii) if the Member is a limited partnership, any Person who is a general partner of the Member; or (iv) if the Member is a limited liability company, any Person who owns more than 10% of the beneficial interest in or is a managing member of the Member; or (v) if the Member is a corporation, any Person who is a director who owns more than 10% of the beneficial interest in or is a chief executive officer of the Member; or (vi) if the Member is a general partnership or a limited liability partnership, any Person who owns more than 10% of the beneficial interest of the Member; or (vii) if the Member is a trust, any Person who is a trustee of the Member; or (viii) any Person who in the judgment of the Board of Governors, has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Member, whether through ownership of voting securities or partnership interests, by contract or otherwise; or (ix) any beneficial owner of any of the

foregoing who would be a Control Person with respect to such foregoing Person in the manner described in clauses (i) through (viii) hereof if such foregoing Person were the Member.

ARTICLE 9
DISSOLUTION AND LIQUIDATION OF THE COMPANY

9.1 Events Causing Dissolution. Notwithstanding the Act, the following and only the following events shall cause the Company to be dissolved and its affairs wound up:

9.1.1 The agreement in writing by a Super Majority Vote to dissolve the Company;

9.1.2 Intentionally omitted;

9.1.3 The last remaining Member of the Company ceasing to be a Member of the Company, unless the Company is continued without dissolution in accordance with the Act;

9.1.4 The entry of a decree of judicial dissolution under Section 18-802 of the Act; or

9.1.5 The sale of all or substantially all of the assets of the Company.

Except as provided in Paragraph 9.1.3 of this Agreement, upon the death, retirement, resignation, expulsion or dissolution of a Member or the occurrence of any other event which terminates the continued membership of a Member in the Company, the Company shall automatically be continued without dissolution without the requirement of any consent of the Members. The bankruptcy (as defined in the Act) of a Member shall not cause such Member to cease to be a member of the Company.

9.2 Effect of Dissolution.

9.2.1 The dissolution of the Company shall be effective on the day on which the event occurs giving rise to the dissolution, but the Company shall not terminate until the assets of the Company shall have been distributed as provided in Paragraph 9.4 of this Agreement and the Certificate, as amended or restated from time to time, shall have been canceled by an appropriate filing in the Office of the Delaware Secretary of State. Notwithstanding the dissolution of the Company, prior to the termination of the Company, the business of the Company and the affairs of the Members, as such, shall continue to be governed by this Agreement.

9.2.2 Upon dissolution of the Company, all Undrawn Capital Commitments of the Members will be released.

9.3 Capital Contribution Upon Dissolution. Each Member shall look solely to the assets of the Company for all distributions with respect to the Company, its Capital Contributions thereto, its Capital Account, its Contribution Account and its share of Profits or Losses, and shall have no recourse therefor (upon dissolution or otherwise) against any other Member except as provided in Article 3. No Member with a negative balance in its Capital

Account or Contribution Account shall have any obligation to the Company to restore such negative balance; provided, that this Paragraph 9.3 shall not modify, supersede or otherwise limit any obligation of a Member under Article 3.

9.4 Liquidation.

9.4.1 Upon dissolution of the Company, the Board of Governors or a Person or Persons who may be approved by a Super Majority Vote as the liquidating trustee of the Company (the "Liquidating Trustee"), shall liquidate the assets of the Company, and after allocating (pursuant to Article 5 of this Agreement) all income, gain, loss and deductions resulting therefrom, shall apply and distribute the proceeds thereof as follows:

(a) First, to creditors of the Company, including Members and managers of the Company who are creditors, to the extent otherwise permitted by law, in satisfaction of the liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof);

(b) Second, among the Members in the amounts and order of priority specified in Paragraph 4.3.

9.4.2 Notwithstanding Paragraph 9.4.1 of this Agreement, but subject to the order of priorities set forth therein, if the Board of Governors or the Liquidating Trustee determines that an immediate sale of all or any portion of the Company's assets would cause undue loss to the Members, the Board of Governors or the Liquidating Trustee, to avoid such loss, may, after giving Notice to all of the Members, to the extent not then prohibited by the Act, either defer liquidation of and withhold from distribution for a reasonable time any assets of the Company except those necessary to satisfy the Company's debts and obligations, or distribute the assets to the Members in kind. A Member may be compelled to accept a distribution of any asset in kind from the Company even if the percentage of the asset distributed to it exceeds the percentage of that asset that is equal to the percentage in which it shares in distributions from the Company, provided that such Member receives the same proportion of the aggregate fair market value of Company assets distributed in kind as the proportion of cash such Member would receive under Paragraphs 4.3(a) and (b).

9.4.3 If any assets of the Company are to be distributed in kind, such assets shall be distributed on the basis of the fair market value thereof. The fair market value of such assets shall be determined by an independent MAI appraiser to be selected by the Board of Governors or the Liquidating Trustee.

9.4.4 The Board of Governors or the Liquidating Trustee, or a Person designated by the Board of Governors or the Liquidating Trustee, as an authorized person within the meaning of the Act, shall cause the cancellation of the Certificate following the distribution of all of the Company's assets in accordance with the Act and this Agreement.

9.5 Rights Exclusive. Each Member hereby irrevocably waives any right or power it may possess to compel a dissolution of the Company (including, without limitation, a judicial dissolution pursuant to Section 18-802 of the Act) other than as expressly set forth in this Agreement.

ARTICLE 10
BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS, ETC.

10.1 Books and Records.

10.1.1 The books and records of the Company shall be maintained at the principal office of the Company, and such books and records shall be available for examination and copying there by any Member or its duly authorized representatives at any and all reasonable times for any purpose reasonably related to such Member's Interest in the Company and at such Member's own expense. The Company shall maintain such books and records and provide such financial or other statements as the Board of Governors in its sole discretion deems advisable or as required under the Act, subject to the requirements of this Agreement.

10.1.2 The Accountants shall review all annual financial statements of the Company, which statements will be prepared in accordance with generally accepted accounting principles, and shall review or prepare for execution by the Tax Matters Manager all tax returns of the Company.

10.2 Accounting and Fiscal Year. Subject to Code Section 448, the books of the Company shall be kept in accordance with generally accepted accounting principles or such other method of accounting for tax and financial reporting purposes as may be determined by the Board of Governors. The fiscal year of the Company shall end on December 31 or such other date permitted under the Code as the Board of Governors shall determine.

10.3 Bank Accounts and Investments. Subject to the supervision and control of the Board of Governors, the bank accounts of the Company shall be maintained at such banking institutions as the Audit and Finance Committee shall determine, and withdrawals from the Company's bank accounts shall be made only in the regular course of Company business on such signature or signatures (by hand or by facsimile) as the Audit and Finance Committee shall determine. Subject to the supervision and control of the Board of Governors, the Audit and Finance Committee shall also have authority to designate authorized signatories under any of the Company's credit facilities and/or loan agreements. All deposits and other funds not needed in the operation of the business or not yet invested may be invested in United States government securities, securities issued or guaranteed by United States government agencies, securities issued or guaranteed by states or municipalities, savings and loan association deposits, deposits in members of the Federal Home Loan Bank System, deposits at a commercial bank or government securities dealer secured by any of the above, commercial paper, or funds or unit investment trusts investing in the above. The funds of the Company shall not be commingled with the funds of any other Person.

10.4 Reports.

10.4.1 Within 75 days after the end of each calendar year, the Company shall send to each Person who was a Member or transferee of an Interest at any time during the fiscal year ending during such calendar year such estimated tax information as shall be necessary for the preparation by such Member or transferee of its federal income tax return, and required state

income and other tax returns with regard to jurisdictions in which the Company is formed or qualified or owns property, and such other information to a Member for any purpose reasonably related to such Member's Interest in the Company and at such Member's own expense. At the request of any Member, the Tax Matters Manager shall send, promptly after they became available, a copy of the Company's federal and state income tax returns for each year.

10.4.2 Unless the Board of Governors determines otherwise, within 120 days after the end of each calendar year, or such longer period as the Board of Governors may approve, the Company shall provide each Member with audited financial reports prepared by an independent public accounting firm as may be selected by the Board of Governors. Additionally, upon 90 days notice to the Company, any Member may request that the Company provide such Member additional financial statements or tax information as may be reasonably required by such Member.

10.4.3 The Company shall, within 30 days after the end of each quarter, send to each Person who is a Member or transferee of an Interest at any time during such quarter unaudited financial information regarding the Company and its Subsidiaries and their operations, which information shall include a balance sheet, a statement of income or loss and cash flow for the period from the end of the prior fiscal year to the end of such quarter and a statement showing comparable information for the comparable period during the preceding fiscal year.

10.4.4 Subject to the restrictions set forth in Paragraph 8.3 above and Section 2.2(c) of each Operating Agreement, the Company will provide to the Members information sufficient for each Member to comply with applicable provisions for annual and quarterly reports by a Member under the Securities Exchange Act of 1934, as amended, and will, upon request of a Member, provide such Member such information as would be necessary for such Member to comply with applicable provisions of the Securities Act of 1933, as amended.

10.5 Depreciation and Elections. With respect to any depreciable assets of the Company, the Company may elect to use, so far as permitted by the provisions of the Code, any method of Depreciation that is appropriate in the opinion of the Board of Governors. Subject to Paragraph 5.6.3, the Company may, in the discretion of the Board of Governors, make or elect not to make, and may revoke or elect not to revoke, any election permitted or required to be made by the Company for federal income or state tax purposes; provided that without the unanimous consent of the Members, the Company shall not elect to be treated for tax purposes as an association taxable as a corporation nor shall it elect to revoke the Section 754 election referred to in Paragraph 8.5.

10.6 Designation of Tax Matters Manager. FC Dallas Soccer, LLC, in its capacity as a Member, is hereby designated as the "tax matters partner" of the Company under Code Section 6231(a)(7) (the "Tax Matters Manager") to manage administrative tax proceedings conducted at the Company level by the Internal Revenue Service with respect to Company matters and to fulfill the other duties of the Tax Matters Manager as described herein. Any Member may participate in such administrative proceedings relating to the determination of Company items at the Company level, to the extent permitted by the Code. Expenses of such administrative proceedings undertaken by the Tax Matters Manager shall be paid from Company assets. Each Member who elects to participate in such proceedings shall be responsible for its own expenses

incurred in connection with such participation. The cost of any adjustments to a Member or transferee of an Interest, and the cost of any resulting audits or adjustments of a Member's or transferee's tax return, will be borne solely by the affected Member or transferee. The Tax Matters Manager shall, within ten (10) business days after the receipt of any notice from the Internal Revenue Service in any administrative proceeding at the Company level relating to the determination of any Company item of income, gain, loss, deduction or credit, mail a copy of such notice to each Member. The Tax Matters Manager shall take such action as may be necessary to cause each other Member to become a "notice partner" within the meaning of Section 6231(a)(8) of the Code. The Tax Matters Manager shall inform each other Member of all significant matters that may come to its attention in its capacity as Tax Matters Manager by giving written notice thereof within ten (10) business days after becoming aware thereof and, within that time, shall forward to each other Member copies of all significant written communications it may receive in such capacity. The Tax Matters Manager shall not enter into any settlements or make any determinations which materially affect the tax status of any Member without the approval of the Member so affected.

10.7 Special Limitations. Notwithstanding any other provision of this Agreement, the Company shall not be liable to any party for failure of the Company to timely deliver audited financial statements or any other reports or information required to be delivered to the Members under Paragraph 10.4 of this Agreement if the Company in good faith has used its best efforts to obtain and provide such information on a timely basis, and such failure results from (a) any Member failing to deliver financial information to the Company as required by this Agreement, or (b) any other material factor beyond the reasonable control of the Company. However, if the Company's failure results from any Member failing to provide financial information to the Company, the Company shall consider taking appropriate action under this Agreement or the Operating Agreement against such Member.

ARTICLE 11
INTENTIONALLY OMITTED

ARTICLE 12
OPERATING AGREEMENTS

Each Operating Agreement, together with this Agreement and each Subscription Agreement and any Expansion Agreement, governs the relationship between the Company and each Class A Member and the relationships between the Company and MLS Canada LP, on the one hand, and each Canadian Member, on the other hand (the Class A Members and the Canadian Members are referred to collectively in this Article 12 as the "Operator/Investors"). Unless approved by Members holding at least eighty-five percent (85%) of the Ownership Percentages, no Operating Agreement shall be entered into by the Company (including by amendment) in any form other than in substantially the form attached hereto as Exhibit B. Unless approved by a Super Majority Vote, only Operator/Investors shall have the right to operate a Team pursuant to an Operating Agreement. Any amendment to this Article 12 shall require the consent of Members holding at least eighty-five percent (85%) of the Ownership Percentages. Unless an Operating Agreement specifically provides for another percentage vote or specifically provides that certain specified amendments require the consent of the Operator/Investor, amendments to any Operating Agreement can only be made with the consent

of the Company by the approval of Members holding at least eighty-five percent (85%) of the Ownership Percentages (and may be made and shall be effective regardless of whether the Operator/Investor party thereto has consented to such amendment).

ARTICLE 13
OTHER PROVISIONS

13.1 Intentionally Omitted.

13.2 Amendments.

13.2.1 In addition to other amendments authorized herein, amendments may be made to this Agreement from time to time by the Board of Governors with the consent of Members holding seventy-five percent (75%) or more of the Ownership Percentages (except amendments to Article 12 shall be governed by the provisions thereof); provided, however, that without the consent of each of the Members to be adversely affected by an amendment, this Agreement may not be amended so as to (a) modify the limited liability of a Member, (b) materially alter the interest of a Member in distributions or allocations of Profits or Losses (or items thereof), (c) require a Member to make cumulative Capital Contributions (net of any penalties) in excess of its Capital Commitment, (d) increase the Capital Commitment of any Member, or (e) materially alter the provisions of this Paragraph 13.2.1 or Paragraph 13.2.2. Amendments to any Operating Agreement can only be made as set forth in Article 12.

13.2.2 In addition to other amendments authorized herein, amendments may be made to this Agreement from time to time by the Board of Governors, (a) to cure any ambiguity, to correct or supplement any provision herein that may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Agreement that are not inconsistent with the provisions of this Agreement; (b) to delete or add any provision of this Agreement required to be so deleted or added by any federal or state official, which addition or deletion is deemed by such official to be for the benefit or protection of the Members; and (c) to take such actions as may be necessary (if any) to insure that the Company will be treated as a partnership, and that each Member will be treated as a partner, for federal income tax purposes; provided, however, that no amendment shall be adopted pursuant to this Paragraph 13.2.2 unless the adoption thereof (i) is for the benefit of or not materially adverse to the interests of the Members, (ii) does not materially affect distributions or allocations of Profits or Losses (or items thereof) among the Members, (iii) does not affect the limited liability of the Members or the status of the Company as a partnership for federal income tax purposes, (iv) does not require a Member to make cumulative Capital Contributions (net of any penalties) in excess of its Capital Commitment, (v) does not increase the Capital Commitment of any Member and (vi) does not materially alter the provisions of Paragraph 13.2.1 or this Paragraph 13.2.2.

13.2.3 If this Agreement is amended as a result of adding or substituting a Member, increasing the investment of a Member in the Company or increasing the Capital Commitment of a Member in accordance with the terms of this Agreement, the amendment to this Agreement shall be sufficient when it is signed by the Company and by the Person to be

substituted or added or who is increasing its investment in the Company or its Capital Commitment, and, if a Member is to be substituted, by the Transferring Member.

13.2.4 In making any amendments, the Board of Governors shall cause to be prepared and filed such documents and certificates as may be required and in the time period required under the Act and under the laws of any other jurisdiction applicable to the Company.

13.3 Covenant Not To Compete. Except for the permitted activities set forth on **Exhibit C** hereto, from the date hereof until the date that is 10 years after the date on which a Member ceases to be a Member of the Company, neither such Member nor any of its respective Affiliates, unless acting in accordance with the Company's prior written consent, shall directly or indirectly, (a) represent any soccer player (i) under contract with the Company, (ii) who expresses an interest in contracting with the Company for his playing services, solely for purposes of such contract negotiations, (iii) with whom the Company expresses an interest in contracting for playing services, solely for purposes of such contract negotiations, or (iv) who has United States citizenship or is playing soccer in the United States, or (b) anywhere in North America, carry on, own, manage, join, operate or control, or participate in the ownership, management, operation or control of, or be connected as a director, officer, employee, partner, member, consultant or otherwise with, or permit its name to be used by or in connection with, any soccer-related business which, directly or indirectly, competes with or is otherwise similar to the business of the Company; provided, that the foregoing shall not limit any Member from (x) acquiring control of any Person which derives less than 5% of its revenues from a business which competes directly with the business of the Company, (y) making passive investments of less than 5% of the outstanding equity securities in any entity listed for trading on a national stock exchange or quoted on any recognized automatic quotation system, or (z) owning, managing, operating or otherwise participating in any sports or entertainment business not principally involving soccer.

13.4 Arbitration.

13.4.1 Except as provided in Paragraph 13.4.2 below and Section 6.3(d) of each Operating Agreement, any claim or controversy of whatever nature, arising out of or related to this Agreement or any Operating Agreement, shall be resolved by arbitration in accordance with the Center for Public Resources Rules for Non-Administered Arbitration of Business Disputes in effect on the date of this Agreement, by three independent and impartial arbitrators, of whom each party shall appoint one in the case of a two-party dispute (the third to be selected by the two appointed by the parties). In the case of a dispute involving more than two parties, such parties shall attempt to reach an agreement regarding the three independent and impartial arbitrators; provided that if such parties have not reached agreement within 20 days, then such arbitrators shall be selected by the Center for Public Resources in accordance with its arbitration rules. Without limiting the generality of the foregoing, the claims and controversies that are to be settled by arbitration include (a) all claims arising in contract or tort relating to the validity, enforceability, interpretation or breach of this Agreement or any Operating Agreement, (b) all claims arising in tort or contract relating to any representations and negotiations leading to the execution of this Agreement or any Operating Agreement, and (c) any questions as to whether the right to arbitrate any such claims exists. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. § 1-16, and judgment upon the award rendered by the arbitrators

may be entered by any court having jurisdiction thereof. The place of arbitration shall be New York, New York.

13.4.2 The Company shall have the exclusive right to elect whether to enforce any obligation of any Member to the Company by arbitration or by judicial means. This Paragraph 13.4 shall not restrict the Company in any way from exercising any right or remedy provided for in Article 3 hereof or under Article 9 of the Uniform Commercial Code by judicial or non-judicial means.

13.5 Right of Set-Off. The Company may, at any time, withhold and set off against any and all distributions (or any portion thereof) otherwise due to any Member under Article 4, or any other payment due from the Company or any of its Subsidiaries to any Member under this Agreement or any Operating Agreement or pursuant to any other agreement or relationship between such Member and the Company or any of its Subsidiaries, to discharge any obligations of such Member (or any obligations of any member of SUM that is an Affiliate of such Member) to the Company, SUM, any of their respective Subsidiaries or other Affiliates or any of the other Operator/Investors that are then due and payable (collectively "League Obligations"). The Company shall have the unrestricted right, but not the obligation, to apply all or any portion of any such distribution or other payment otherwise due to any Member to the discharge of any of such League Obligations, provided, that in such event, the Company will notify such Member of such application and the amount thereof.

13.6 Withholding. To the extent the Company is required by any federal, state, provincial, local or foreign law to withhold or to make a tax payment on behalf of or with respect to any Member (such as backup withholding or withholding with respect to Member that are neither citizens nor residents of the United States) (a "Tax Advance"), the Company may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Member (other than Tax Advances withheld from distributions) shall, at the option of the Board of Governors, (a) be promptly repaid to the Company by the Member on whose behalf such Tax Advances were made or (b) be repaid by reducing future distributions (including the proceeds of any liquidation otherwise payable to that Member) by an aggregate amount equal to the Tax Advances. If any distributions payable to a Member are reduced under clause (b) of the preceding sentence, that Member shall be treated as having received the full amount of those distributions (whether before or upon liquidation). Without limiting the generality of Paragraph 6.8, each Member shall indemnify the Company and the Board of Governors from and against any liability with respect to Tax Advances required on behalf of or with respect to that Member.

13.7 Binding Provisions. The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, executors, administrators, personal representatives, successors and permitted assigns of the respective parties hereto.

13.8 Applicable Law. This Agreement shall be construed and enforced in accordance with the Act and other laws of the State of Delaware, without regard to conflict of laws principles.

13.9 Entire Agreement. This Agreement and the respective Operating Agreements and Subscription Agreements of the Members constitute the entire agreement of the parties as to the

subject matter hereof and thereof and supersede any and all prior agreements, understandings, resolutions and negotiations relating to such subject matter. Without limiting the generality of the preceding sentence, this Agreement supersedes in its entirety the 2011 Agreement and all prior amendments thereto and drafts thereof.

13.10 Counterparts. This Agreement may be executed in several counterparts, all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties have not signed the same counterpart.

13.11 Severability of Provisions. Each provision of this Agreement shall be considered separable, and if for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement that are valid.

13.12 Interpretation. The use of the neuter herein shall be deemed to include the feminine and masculine genders, the use of the feminine shall be deemed to include the masculine and neuter and the use of the masculine shall be deemed to include the feminine and neuter, and the singular shall be deemed to refer to the plural and vice versa, except as the context otherwise requires.

13.13 Article and Paragraph Titles. Article and Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

13.14 Certificates. In the sole discretion of the Board of Governors, the issued and outstanding Units may from time to time be represented by certificates; provided, however, that as of the date thereof, the issued and outstanding Units are not represented by certificates and any certificates outstanding as of the date hereof shall have no effect.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MEMBERS:

ANSCHUTZ L.A. SOCCER, INC.

By: _____
Name: Dan Beckerman
Title: Vice President

CHICAGO FIRE SOCCER, LLC

By: _____
Name: _____
Title: _____

CHIVAS USA SOCCER LLC

By: _____
Name: _____
Title: _____

DC SOCCER LLC

By: _____
Name: _____
Title: _____

DYNAMO SOCCER, LLC

By: _____
Name: Dan Beckerman
Title: Vice President

EARTHQUAKES SOCCER, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MEMBERS:

ANSCHUTZ L.A. SOCCER, INC.

By:_____
Name:_____
Title:_____

CHICAGO FIRE SOCCER, LLC

By:_____
Name: KASHIF SHEIKH
Title: Manager

CHIVAS USA SOCCER LLC

By:_____
Name:_____
Title:_____

DC SOCCER LLC

By:_____
Name:_____
Title:_____

DYNAMO SOCCER, LLC

By:_____
Name:_____
Title:_____

EARTHQUAKES SOCCER, LLC

By:_____
Name:_____
Title:_____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MEMBERS:

ANSCHUTZ L.A. SOCCER, INC.

By:_____
Name:_____
Title:_____

CHICAGO FIRE SOCCER, LLC

By:_____
Name:_____
Title:_____

CHIVAS USA SOCCER LLC

By: [signature]
Name: ANTONIO CUE
Title: PRESIDENT / MANAGER DIRECTOR

DC SOCCER LLC

By:_____
Name:_____
Title:_____

DYNAMO SOCCER, LLC

By:_____
Name:_____
Title:_____

EARTHQUAKES SOCCER, LLC

By:_____
Name:_____
Title:_____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MEMBERS:

ANSCHUTZ L.A. SOCCER, INC.

By:_____
Name:_____
Title:_____

CHICAGO FIRE SOCCER, LLC

By:_____
Name:_____
Title:_____

CHIVAS USA SOCCER LLC

By:_____
Name:_____
Title:_____

DC SOCCER LLC

By: [signature]
Name: William Chang
Title: CFO

DYNAMO SOCCER, LLC

By:_____
Name:_____
Title:_____

EARTHQUAKES SOCCER, LLC

By:_____
Name:_____
Title:_____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MEMBERS:

ANSCHUTZ L.A. SOCCER, INC.

By:_____
Name:_____
Title:_____

CHICAGO FIRE SOCCER, LLC

By:_____
Name:_____
Title:_____

CHIVAS USA SOCCER LLC

By:_____
Name:_____
Title:_____

DC SOCCER LLC

By:_____
Name:_____
Title:_____

DYNAMO SOCCER, LLC

By:_____
Name:_____
Title:_____

EARTHQUAKES SOCCER, LLC

By:_____
Name: Keith M. Wolff
Title: Managing Member

FC DALLAS SOCCCER, LLC

By: _____
Name: _____
Title: _____

KRAFT SOCCER LLC

By: _____
Name: _____
Title: _____

KSE SOCCER, INC.

By: _____
Name: _____
Title: _____

ONGOAL, LLC

By: _____
Name: _____
Title: _____

PEREGRINE SPORTS LLC

By: _____
Name: _____
Title: _____

PENNSYLVANIA PROFESSIONAL SOCCER

By: _____
Name: _____
Title: _____

RED BULL NEW YORK, INC.

By: _____
Name: _____
Title: _____

FC DALLAS SOCCCER, LLC

By:_____
Name:_____
Title:_____

KRAFT SOCCER LLC

By:_____
Name:_____
Title:_____

KSE SOCCER, INC.

By:_____
Name:_____
Title:_____

ONGOAL, LLC

By:_____
Name:_____
Title:_____

PEREGRINE SPORTS LLC

By:_____
Name:_____
Title:_____

PENNSYLVANIA PROFESSIONAL SOCCER

By:_____
Name:_____
Title:_____

RED BULL NEW YORK, INC.

By:_____
Name:_____
Title:_____

Fifth Amended and Restated LLC Agmt. of MLS LLC

FC DALLAS SOCCCER, LLC

By:_____
Name:_____
Title:_____

KRAFT SOCCER LLC

By:_____
Name:_____
Title:_____

KSE SOCCER, INC.

By: J. Martin
Name: James Martin
Title: President

ONGOAL, LLC

By:_____
Name:_____
Title:_____

PEREGRINE SPORTS LLC

By:_____
Name:_____
Title:_____

PENNSYLVANIA PROFESSIONAL SOCCER

By:_____
Name:_____
Title:_____

RED BULL NEW YORK, INC.

By:_____
Name:_____
Title:_____

FC DALLAS SOCCCER, LLC

By:_____
Name:_____
Title:_____

KRAFT SOCCER LLC

By:_____
Name:_____
Title:_____

KSE SOCCER, INC.

By:_____
Name:_____
Title:_____

ONGOAL, LLC

By:_____
Name: R. Robb Heinemann
Title: CEO

PEREGRINE SPORTS LLC

By:_____
Name:_____
Title:_____

PENNSYLVANIA PROFESSIONAL SOCCER

By:_____
Name:_____
Title:_____

RED BULL NEW YORK, INC.

By:_____
Name:_____
Title:_____

FC DALLAS SOCCCER, LLC

By:_____
Name:_____
Title:_____

KRAFT SOCCER LLC

By:_____
Name:_____
Title:_____

KSE SOCCER, INC.

By:_____
Name:_____
Title:_____

ONGOAL, LLC

By:_____
Name:_____
Title:_____

PEREGRINE SPORTS LLC

By: 
Name: Merritt Paulson
Title: Manager, Peregrine Sports, LLC

PENNSYLVANIA PROFESSIONAL SOCCER

By:_____
Name:_____
Title:_____

RED BULL NEW YORK, INC.

By:_____
Name:_____
Title:_____

FC DALLAS SOCCCER, LLC

By:_____
Name:_____
Title:_____

KRAFT SOCCER LLC

By:_____
Name:_____
Title:_____

KSE SOCCER, INC.

By:_____
Name:_____
Title:_____

ONGOAL, LLC

By:_____
Name:_____
Title:_____

PEREGRINE SPORTS LLC

By:_____
Name:_____
Title:_____

PENNSYLVANIA PROFESSIONAL SOCCER

By:_____
Name: JAY SUGARMAN
Title: OWNER

RED BULL NEW YORK, INC.

By:_____
Name:_____
Title:_____

FC DALLAS SOCCCER, LLC

By:_____
Name:_____
Title:_____

KRAFT SOCCER LLC

By:_____
Name:_____
Title:_____

KSE SOCCER, INC.

By:_____
Name:_____
Title:_____

ONGOAL, LLC

By:_____
Name:_____
Title:_____

PEREGRINE SPORTS LLC

By:_____
Name:_____
Title:_____

PENNSYLVANIA PROFESSIONAL SOCCER

By:_____
Name:_____
Title:_____

RED BULL NEW YORK, INC.

By: [signature]
Name: Erik Soler
Title: GM

SEATTLE SOCCER LLC

By: Joe Roth
Name: JOE ROTH
Title: owner

TEAM COLUMBUS SOCCER, L.L.C.

By:_____
Name:_____
Title:_____

UTAH SOCCER, LLC

By:_____
Name:_____
Title:_____

DENTSU HOLDINGS USA, INC.

By:_____
Name:_____
Title:_____

MAPLE LEAF SPORTS & ENTERTAINMENT LTD.

By:_____
Name:_____
Title:_____

VANCOUVER WHITECAPS FC L.P.

By: WFC Football GP Ltd., its General Partner

By:_____
Name:_____
Title:_____

SEATTLE SOCCER LLC

By:_____
Name:_____
Title:_____

TEAM COLUMBUS SOCCER, L.L.C.

By:_____
Name:_____
Title:_____

UTAH SOCCER, LLC

By:_____
Name:_____
Title:_____

DENTSU HOLDINGS USA, INC.

By:_____
Name:_____
Title:_____

MAPLE LEAF SPORTS & ENTERTAINMENT LTD.

By:_____
Name:_____
Title:_____

VANCOUVER WHITECAPS FC L.P.

By: WFC Football GP Ltd., its General Partner

By:_____
Name:_____
Title:_____

SEATTLE SOCCER LLC

By:______________________________
Name:____________________________
Title:_____________________________

TEAM COLUMBUS SOCCER, L.L.C.

By:______________________________
Name:____________________________
Title:_____________________________

UTAH SOCCER, LLC

By: [signature]
Name: DAVID W. CHECKETTS
Title: CHAIRMAN

DENTSU HOLDINGS USA, INC.

By:______________________________
Name:____________________________
Title:_____________________________

MAPLE LEAF SPORTS & ENTERTAINMENT LTD.

By:______________________________
Name:____________________________
Title:_____________________________

VANCOUVER WHITECAPS FC L.P.

By: WFC Football GP Ltd., its General Partner

By:______________________________
Name:____________________________
Title:_____________________________

SEATTLE SOCCER LLC

By:_____
Name:_____
Title:_____

TEAM COLUMBUS SOCCER, L.L.C.

By:_____
Name:_____
Title:_____

UTAH SOCCER, LLC

By:_____
Name:_____
Title:_____

DENTSU HOLDINGS USA, INC.

By:_____
Name:_____
Title:_____

MAPLE LEAF SPORTS & ENTERTAINMENT LTD.

By: [signature]
Name: TOM ANSELMI
Title: E.V.P. & C.O.O.

VANCOUVER WHITECAPS FC L.P.

By: WFC Football GP Ltd., its General Partner

By:_____
Name:_____
Title:_____

SEATTLE SOCCER LLC

By:_____
Name:_____
Title:_____

TEAM COLUMBUS SOCCER, L.L.C.

By:_____
Name:_____
Title:_____

UTAH SOCCER, LLC

By:_____
Name:_____
Title:_____

DENTSU HOLDINGS USA, INC.

By:_____
Name:_____
Title:_____

MAPLE LEAF SPORTS & ENTERTAINMENT LTD.

By:_____
Name:_____
Title:_____

VANCOUVER WHITECAPS FC L.P.

By: WFC Football GP Ltd., its General Partner

By: Greg Kerfoot
Name: GREG KERFOOT
Title: GENERAL PARTNER

FREE 2 PLAY LP

By: Free 2 Play Holdings Inc., its General Partner

By: _____
Name: JOEY SAPUTO
Title: PRESIDENT

SIGNATURE PAGE
OF
NEW YORK CITY FOOTBALL CLUB, LLC
TO
FIFTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
MAJOR LEAGUE SOCCER, L.L.C.

The undersigned hereby executes the Fifth Amended and Restated Limited Liability Company Agreement of Major League Soccer, L.L.C. (the "Agreement"), and hereby authorizes this signature page to be attached to a counterpart of the Agreement. By its execution of this signature page, the undersigned acknowledges and agrees that it shall immediately be bound by and shall comply with each of the terms and provisions of the Agreement applicable to a Class A Member and/or a Class E Member thereunder, except to the extent inconsistent with the provisions of that certain Expansion Agreement, dated July 11, 2013, by and among the New York Operator Investor, the Principal Investors, MLS and SUM (in each case, as defined therein).

NEW YORK CITY FOOTBALL CLUB, LLC

Dated as of July 11, 2013

By: _____
Name: Martin L. Edelman
Title: Vice President

SIGNATURE PAGE
OF
LAFC SPORTS, LLC
TO
FIFTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
MAJOR LEAGUE SOCCER, L.L.C.

The undersigned hereby executes the Fifth Amended and Restated Limited Liability Company Agreement of Major League Soccer, L.L.C. (the "Agreement"), and hereby authorizes this signature page to be attached to a counterpart of the Agreement. By its execution of this signature page, the undersigned acknowledges and agrees that it shall immediately be bound by and shall comply with each of the terms and provisions of the Agreement applicable to a Class A Member and/or Class E Member thereunder, except to the extent inconsistent with the provisions of that certain Expansion Agreement, dated as of the date hereof, by and among the Los Angeles Operator Investor, the Los Angeles Investors, MLS and SUM (in each case, as defined therein).

LAFC SPORTS, LLC

By: Inter Sports Ventures, LLC, its manager

Dated as of October 9, 2014

By: _____
Name: Henry Nguyen
Title: Manager

SIGNATURE PAGE
OF
ORLANDO SPORTS HOLDINGS, LLC
TO
FIFTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
MAJOR LEAGUE SOCCER, L.L.C.

The undersigned hereby executes the Fifth Amended and Restated Limited Liability Company Agreement of Major League Soccer, L.L.C. (the "Agreement"), and hereby authorizes this signature page to be attached to a counterpart of the Agreement. By its execution of this signature page, the undersigned acknowledges and agrees that it shall immediately be bound by and shall comply with each of the terms and provisions of the Agreement applicable to a Class A Member and/or Class E Member thereunder.

ORLANDO SPORTS HOLDINGS, LLC

Dated as of January 1, 2015

By: _____
Name: PHILIP RAWLINGS
Title: PRESIDENT

EXHIBIT A

MEMBERS AND OWNERSHIP UNITS AND PERCENTAGES
(as of January 3, 2012)

Member Name and Address	Type	Units	Owner %	Type	Units	Owner %	Total Ownership%
Anschutz L.A. Soccer, Inc. 110 South Flower Street Suite 3200 Los Angeles, CA 90015	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Chicago Fire Soccer, LLC 7000 S. Harlem Avenue Bridgeview, IL 60455	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Chivas USA Soccer LLC 18400 Avalon Blvd., Suite 500 Carson, CA 90746	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
DC Soccer LLC 2400 East Capitol St. SE Washington, DC 20003	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Dynamo Soccer, LLC 1415 Louisiana Street, #3400 Houston, TX 77002	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Earthquakes Soccer, LLC 7000 Coliseum Way Oakland, CA 94621	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
FC Dallas Soccer, LLC 1601 Elm Street Suite 4000 Dallas, TX 75201	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Kraft Soccer LLC One Patriot Place Foxborough, MA 02035	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
KSE Soccer, Inc. Pepsi Center 1000 Chopper Circle Denver, CO 80204	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
OnGoal, LLC 8900 State Line Road Leawood, KS 66206	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%

Peregrine Sports LLC PGE Park 1844 SW Morrison Portland, OR 97205	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Pennsylvania Professional Soccer LLC 2501 Seaport Drive Switch House Suite 500 Chester, PA 19013	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Red Bull New York, Inc. One Harmon Plaza Secaucus, NJ 07094	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Seattle Soccer LLC Virginia Mason Athletic Center 12 Seahawks Way Renton, WA 98056	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Team Columbus Soccer, L.L.C. 1601 Elm Street Suite 4000 Dallas, TX 75201	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Utah Soccer, LLC 9256 South State Street Sandy, UT 84070	A	1.511105	0.8258%	E	7.80007	4.4086%	5.2344%
Maple Leaf Sports & Entertainment Ltd. 40 Bay Street Suite 400 Toronto, ON M5J 2X2	I	1.511105	0.8258%	I	7.80007	4.4086%	5.2344%
Vancouver Whitecaps FC L.P. Suite 550 – 375 Water Street Vancouver, BC VGB 5C6	J	1.511105	0.8258%	J	7.80007	4.4086%	5.2344%
Free 2 Play LP 4750 Sherbrooke Est Montreal, Quebec H1V 3S8	K	1.511105	0.8258%	K	7.80007	4.4086%	5.2344%
Dentsu Holdings USA, Inc. 1114 Avenue of the Americas New York, NY 10036	B	1.000000	0.5465%	N/A	N/A	N/A	0.5465%
TOTAL		**29.70995**	**16.2364%**		**148.20141**	**83.7636%**	**100.00%**

EXHIBIT B

OPERATING AGREEMENT FORM

EXHIBIT C

DESCRIPTION OF PERMITTED ACTIVITIES

Dentsu Holdings USA, Inc.:

Dentsu Inc. ("Dentsu"), an Affiliate of Dentsu Holdings USA, Inc., is a 49% partner in ISL Marketing AG ("ISL"), which has a subsidiary operating in the United States. ISL and its Affiliates currently hold the marketing rights to all major FIFA-organized soccer competitions, the Olympics and World Track and Field Championships. Dentsu is also involved in a number of soccer-related activities in Japan and other areas outside of North America. The restrictions of Paragraph 13.3 of this Agreement shall not apply to any activities of Dentsu or its Affiliates relating to such sports events or activities as set forth above.

Stadium Ownership/Operation:

Paragraph 13.3 of this Agreement shall not restrict in any way the use of any stadium in which any Member or Affiliate of a Member may acquire any interest, whether by ownership, lease, license or otherwise for any purpose; provided, however, that, except as permitted below with respect to SUM, in the case of any soccer event to be held in any such stadium other than a Company approved event, neither a Member nor any of its Affiliates shall promote or participate in any way in the presentation of such event except as stadium proprietor, in which capacity it may collect rent and associated fees without any obligation to the Company.

Soccer United Marketing:

During the term of the MLS Rights Agreement (as defined in the SUM LLC Agreement), SUM is exempt from Paragraph 13.3 of this Agreement.

PLEASE NOTE THAT THE AFOREMENTIONED INFORMATION IS CONFIDENTIAL AND NON-PUBLIC AND IS BEING PROVIDED FOR THE PURPOSES OF THIS AGREEMENT ONLY AND SHOULD NOT IN ANY EVENT BE OTHERWISE DISCLOSED.

EXHIBIT D

INTENTIONALLY OMITTED

EXHIBIT E

PRE-APPROVED TRANSFEREES

Kraft Soccer LLC:
Robert K. Kraft
Joshua M. Kraft
Myra H. Kraft
Jonathan A. Kraft
Daniel A. Kraft
David H. Kraft

Team Columbus Soccer, L.L.C.:
Estate of Lamar Hunt
Lamar Hunt, Jr.
Clark K. Hunt
Sharron L. Hunt Munson
Daniel L. Hunt

FC Dallas Soccer, LLC:
Estate of Lamar Hunt
Lamar Hunt, Jr.
Clark K. Hunt
Sharron L. Hunt Munson
Daniel L. Hunt

Dynamo Soccer, LLC (formerly Anschutz San Jose Soccer, Inc.)
Anschutz L.A. Soccer, Inc.

Philip Anschutz

EXHIBIT F

LIMITED PRE-APPROVED TRANSFEREES

Kraft Soccer LLC:

Sidney Hiatt
Janice L. Hiatt
Miriam Levine
The Robert and Myra Kraft and J. Hiatt Foundation, Inc.