

ARTICLE XX

ENFORCEMENT OF SALARY CAP

Section 1. Undisclosed Terms. At the time a Team and a player enter into any AFL Player Contract or any renegotiation, extension or amendment of an AFL Player Contract, or any time thereafter, there shall be no undisclosed agreements of any kind, express or implied, oral or written, or promises, undertakings, representations, commitments, inducements, assurances of intent, or understandings of any kind, between such player and any Team involving consideration of any kind to be paid, furnished or made available or guaranteed to the player, or Player Affiliate, by the Team or Team Affiliate either during the term of the AFL Player Contract or thereafter.

Section 2. Circumvention. Neither the parties hereto, nor any Team or player shall enter into any agreement, AFL Player Contract, or other transaction which includes any terms that are designed to serve the purpose of defeating or circumventing the intention of the parties as reflected by (a) the provisions of this Agreement with respect to Defined Gross Revenues, Salary Cap, Minimum Team Salary, and Minimum League-Wide Player Compensation, and (b) any other term and provision of this Agreement. However, any conduct permitted by this Agreement shall not be considered to be a violation of this provision.

Section 3. System Arbitrator Action. Any individual player, or the AFLPA acting on that player's or any number of players' behalf, the AFL, and any Team may bring an action before the System Arbitrator alleging a violation of Article XIX (Salary Cap, Minimum Team Salary & Guaranteed League-Wide Player Compensation) of this Agreement. Issues of relief and liability shall be determined in the same proceeding. The complaining party shall bear the burden of demonstrating by a clear preponderance of the evidence that the challenged conduct was in violation of Article XIX (Salary Cap, Minimum Team Salary & Guaranteed League-Wide Player Compensation).

Section 4. Commissioner Disapproval.

(a) In the event that the Commissioner or his designee disapproves any AFL Player Contract as being in violation of Article XIX (Salary Cap, Minimum Team Salary & Guaranteed League-Wide Player Compensation) or this Article XX (Enforcement of Salary Cap), he shall at the time of such disapproval notify the AFLPA, all affected Teams, and all affected players of such disapproval in writing and the reasons therefor. Except as required by the terms of this Agreement, nothing in this Agreement is intended to affect (i) any authority or lack of authority of the Commissioner or his designee to approve or disapprove AFL Player Contracts and (ii) the effect of the Commissioner's or his designee's approval or disapproval on the validity of such AFL Player Contracts.

(b) In the event that the Commissioner or his designee informs a Team that it is over the Salary Cap (as adjusted for that Team) during the Compliance Period, the Team shall have twenty-four (24) hours to become compliant. Should it fail to do so,

the AFL may, by notice to the affected parties and the AFLPA, make the Team Salary Cap compliant by terminating as many of the Team's AFL Player Contracts (starting with those with the lowest base salary) as is necessary to make the Team compliant. (Where less than all of a number of contracts with equal base salaries must be terminated, those to be terminated will be randomly selected by the AFL, which selection may be monitored by the AFLPA).

Section 5. System Arbitrator Review. In the event that the Commissioner or his designee disapproves an AFL Player Contract pursuant to Section 4 above, the AFLPA, any affected Team, and any affected player shall have the right within thirty (30) days of such person's notice of such disapproval to initiate a proceeding before the System Arbitrator to determine whether such contract is in violation of Article XIX (Salary Cap, Minimum Team Salary & Guaranteed League-Wide Player Compensation) or this Article XX (Enforcement of Salary Cap). The System Arbitrator shall review the dispute de novo, and shall have the authority to approve such AFL Player Contracts in lieu of the Commissioner's approval, or confirm the Commissioner's disapproval. The System Arbitrator does not have the authority to impose any revisions to such AFL Player Contract on the player or the Team.

Section 6. Sanctions. In the event that the System Arbitrator finds a violation of Section 1 of this Article, the Commissioner shall be authorized to impose a fine of up to \$1,000,000, payable to the AFL, upon any Team found to have committed such violation, and shall be authorized to void any remaining term of any AFL Player Contract(s) that was (or were) the direct cause of such violation.

Section 7. Prior Conference. Prior to the initiation of any proceeding under this Article by the AFL, and Team, or the AFLPA, the parties shall confer in person or by telephone to attempt to negotiate a resolution of the dispute.

Section 8. DGR Circumvention. In the event that a Team or anyone acting on its behalf materially fails to report, or materially mis-reports, Defined Gross Revenues or non-DGR in a manner designed to serve the purpose of defeating or circumventing the intention of the parties as reflected by the provisions of this Agreement with respect to Defined Gross Revenues, the AFLPA and/or the AFL shall have the right to initiate a proceeding before the System Arbitrator to determine whether such conduct is in violation of this Section 8. In the event that the System Arbitrator finds a violation of this Section 8, the System Arbitrator may impose a fine upon the Team of up to \$1 million, which shall be donated to any AFL player pension fund, any other AFL player benefit fund, or any charitable fund for the benefit of present or former AFL players, as selected by the AFLPA, subject to the reasonable approval of the AFL.