



January 9, 2004

David Feher  
Dewey Ballantine LLP  
1301 Avenue of the Americas  
New York, New York 10019

Dear David:

This confirms that we agree with your understanding of the operation of Injury Grievances and Injured Reserve Compensation, as described in your letter dated this same date (attached hereto).

Sincerely,

John J. Master  
Vice President, Legal & Labor Affairs  
Arena Football League, LLC  
On behalf of the AFL and its teams

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January 9, 2004

John J. Master  
Vice President, Legal & Labor Affairs  
Arena Football League  
105 Madison Avenue, Ninth Floor  
New York, New York 10016

Re: Injury Grievances

Dear John:

This confirms that the AFLPA is executing the Collective Bargaining Agreement (“CBA”) on the understanding that when a Neutral Physician and/or the System Arbitrator (in cases where the Neutral Physician’s findings are not determinative) determines the period of time that a player “should have been” or “should be” on Injured Reserve, under the procedures set forth in Article X of the CBA (“Injury Grievance”), consistent with the standard for such Injured Reserve status set forth in Article XII, Section 1 of the CBA (“A player shall be on Injured Reserve when he is physically unable to perform the services required of him by his AFL Player Contract because of an injury incurred in the performance of his services under that contract.”), the player shall be treated as if he had been (and/or will be) on the Injured Reserve list for such period, regardless of whether the player had been placed on any other list by his Team, or had been released by his Team, for such period or any part thereof, including for the following purposes: (a) the player shall be paid the applicable Injured Reserve Compensation for such period (e.g., for all players beginning in the 2004 League Year, 100% of the player’s Regular Season Per Game Salary or Post-Season Per Game Salary, for non-bye weeks), (b) the calculation of the player’s eligibility for an Accrued Season as described in Article I, Section (a) of the CBA; and (c) insurance coverage as hereinafter discussed.

This letter also memorializes our mutual understanding that, after a determination is issued under the procedures set forth in Article X of the CBA (“Injury Grievance”) as to the period of time that a player “should be” on Injured Reserve in the future, in the event there is a disagreement as to whether the player subsequently has healed faster or slower than such determination anticipated, and whether the player thus should or should not continue to be on the Injured Reserve List, the determination may not be re-opened, reconsidered, or subject to any appeal on that basis, and the period the player shall remain on the Injured Reserve List shall be that set forth in the determination,

John Master  
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after which period the player may be taken off the Injured Reserve List without further medical review (and may be released if otherwise permitted by the CBA and the player's contract).

This letter further memorializes our mutual understanding that: (i) the second sentence of Article XXXVII (Group Insurance), Section 2(a), means that any player on the Injured Reserve list who does not qualify for continuing insurance coverage under Article XXXVII, Section 2(c) shall receive medical insurance as provided in Article XXXVII, Section 1(b) during the period the player is on the Injured Reserve list, and, if the player is on the Injured Reserve list at the time of the Team's last regular season or post-season game, through the League Year Insurance Period, or until the player is properly released, whichever is earlier; and (ii) a player who is not eligible for Injured Reserve status who is properly placed on the Reserve List and categorized thereon as Injured Exempt at the beginning of a Season is not required to receive insurance as provided in Article XXXVII, Section 1, during the period he is in that Injured Exempt category. As to insurance, if any, for other categories on the Reserve List, the AFL and the AFLPA shall negotiate and agree upon such matters as soon as possible hereafter.

Sincerely,

A handwritten signature in black ink, appearing to read "David G. Fisher", written over a white background.

David G. Fisher