



February 25, 2009

BY EMAIL & FACSIMILE

Richard A. Berthelsen
Acting Executive Director
AFLPA
2021 L Street, NW
Washington, DC 20036

Re: 2009 AFL Season

Dear Richard:

This confirms the agreement of the Arena Football League and its Teams (collectively, the "AFL"), and the Arena Football League Players Association ("AFLPA"), to extend the terms of the letter agreement entered into on January 12, 2009 (the "January 12 Letter Agreement") concerning certain matters relating to the AFL's recent decision to suspend the 2009 AFL season (the "2009 Suspension"), as follows:

1. Until April 1, 2009, neither the AFLPA nor any of its members, nor any member of its bargaining unit, nor any agent acting on any of their behalf, will sue or file any grievance, or support financially or administratively, or voluntarily provide testimony in, any suit, grievance or other proceeding against the AFL or any of its Teams relating in any way to the 2009 Suspension, the obligations of the AFL-AFLPA Collective Bargaining Agreement, or any Player Contract; provided, however, that the terms of this Paragraph 1 shall not limit in any way (a) any action to enforce the terms of this letter agreement, or to pursue any right that accrued prior to the 2009 Suspension; and (b) the discretion or legal rights of the AFLPA or any other person on or after April 1, 2009.

2. Until April 1, 2009, neither the AFL, including but not limited to its Teams, nor any agent acting on any of their behalf, will sue or file any grievance, or support financially or administratively, or voluntarily provide testimony in, any suit, grievance or other proceeding against the AFLPA or any AFL player relating in any way to the 2009 Suspension, the obligations of the AFL-AFLPA Collective Bargaining Agreement, or any Player Contract; provided, however, that the terms of this Paragraph 2 shall not limit in any way (a) any action to enforce the terms of this letter agreement, or to pursue any right that accrued prior to the 2009 Suspension; and (b) the discretion or legal rights of the AFL or any other person on or after April 1, 2009.

3. In consideration of Paragraphs 1 and 2 above, notwithstanding the 2009 Suspension:

a. Group Insurance under the new plan that has been mutually agreed upon by the AFL and AFLPA will begin on March 1, 2009 and continue through March 31, 2009, and shall be made available to all persons who are currently receiving Group Insurance, with the teams paying all costs of such insurance during this period.

b. All players who, pursuant to a valid AFL player contract, were resident as of December 21, 2008 in Team-supplied housing (and any persons living with such players in accordance with prior practice) shall continue to be free to live in such housing, through March 31, 2009, on the same terms and conditions that existed prior to the 2009 Suspension.

c. The AFL shall take any and all action necessary or appropriate to (a) ensure the continuing operation and security of the Arena Football League 401(k) Plan (the "401(k) Plan"), including paying all administrative expenses of the 401(k) Plan, provided, however, that administrative expenses may be paid out of forfeitures to the extent feasible, and reasonable administrative expenses incurred as a result of participant loans and safe harbor hardship distributions will be charged to the participant requesting the loan or distribution, and (b) promptly amend the 401(k) Plan to allow individual participants to take loans and safe harbor hardship distributions which will be limited only to the contributions of each respective participant taking a loan or safe harbor distribution, notify all participants of such amendments, and administer the 401(k) Plan in accordance with such amendments.

d. Regardless of whether any player is under contract with an AFL Team, all players shall be immediately and completely free, without any penalty or restriction of any kind (including without any waiver of any already-accrued right, such as any right to receive salary already earned but not yet paid by the Team; provided, however, the Teams also do not waive any already-accrued rights, such as any right to recoup any unearned salary advances already paid to players who do not return to the Team), through April 1, 2009, to negotiate and sign a contract to be employed as a player or other employee in professional football (whether indoor or outdoor) in any league other than the AFL (including, without limitation, AF2, the Canadian Football League, the National Football League, and the United National Gridiron League), including with respect to any contract covering a period of employment extending after April 1, 2009. In the event a player signs such an employment contract on or before April 1, 2009, the AFL Team with which the player was previously employed shall have no rights or claims with respect to the player or from any new team with which the player may negotiate or sign an employment contract. Neither the AFL, including but not limited to its Teams, nor any Team Affiliate, nor anyone acting on any of their behalf, will sue or file any grievance or other proceeding, or support financially or administratively, or voluntarily provide

testimony in, any suit or grievance or other proceeding, that would limit or restrict in any way such a player from negotiating with, signing a contract with, or being employed by any new professional football team or league. The status of such a player upon his return to the AFL shall be determined by agreement between the AFL and the AFLPA, as part of the revitalization plan referenced in Subparagraph 3.e. below.

e. During the period from the date hereof through April 1, 2009, the AFL shall work in good faith with the AFLPA to develop a revitalization plan for the 2010 AFL season, which plan will also address the period between April 1, 2009 and the 2010 AFL season. The AFL and the AFLPA agree to work in good faith to try to agree upon such a plan as soon as possible. During the period from the date hereof through April 1, 2009, the AFLPA shall be kept informed of the AFL's restructure efforts and shall have the opportunity to provide input on future league structure and marketing.

4. Without limitation on any other provision of this letter agreement, Article XXIII, Section 4, entitled "Teams Ceasing Operations," as amended by the letter agreement dated November 19, 2008, shall be further amended such that the reference to "February 1 in League Year 2009" shall be changed to "March 31 in League Year 2009."

5. The AFL and the AFLPA reserve all of their respective legal or other rights with respect to the period after April 1, 2009.

This agreement shall have no effect upon any other agreement between the AFL and the AFLPA, and may not be referred to by any person in any System Arbitrator or other legal proceeding concerning the CBA or otherwise, for any purpose other than to apply and enforce the terms of this letter.

Sincerely,



Edward R. Policy
Acting Commissioner

SEEN AND AGREED



On behalf of the AFLPA and all of its Players

cc: Clark Gaines