



# Deal Summary of



All Revenue System as basis for Player compensation

Eliminates issue of growing cost credit deductions and decreasing shares of All Revenue

Bands of Player Share 48.5% to Guaranteed Floor of 47%

Creates \$610M Legacy Fund for Pre-93 Players

No Rookie Wage Scale

Rookie Savings = \$950M 10 years

Teams make first contribution to Pensions for first time in history

Guaranteed 99% -95% League Wide Spend for first time in history

89% cash spend of Salary Cap for first time in history

Minimum Salary increase of \$55K from 2010

Guaranteed Contracts against Injury up to Year 3 for first time

NFLPA Discretionary use of \$20M per year for health, safety and former player issues

# Major Economic New Deal Points

Eliminates 2-a-day practices

Average one (1) padded practice per week

Maximum 4.5 hours of field per day in training camp

One (1) padded practice limited to 3 hours in training camp

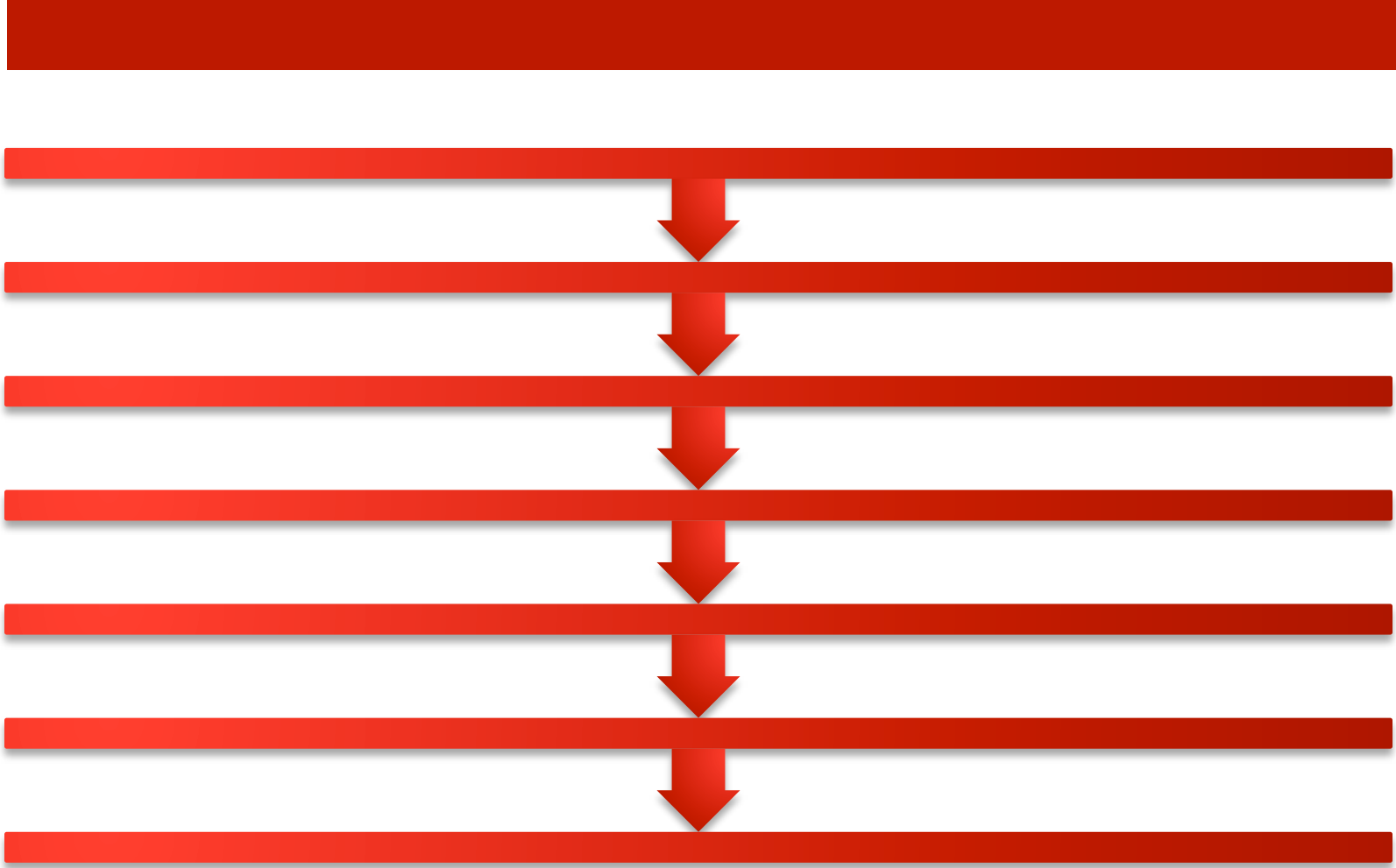
Second practice limited to non-helmet walk through

Unannounced inspections by NFLPA Staff to ensure compliance

Spring Semester Off: Limit of 9 week off season conditioning program; veterans do not report until the 3<sup>rd</sup> week in April; reduces OTAs from 14 to 10; maximizes time for players to return to school to complete degree

# Major New Work Rule Deal

## Points



# League Demands Rejected

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Players' share of Revenue is derived from the following streams:

- **55% of League Media (TV, Radio,**



Larger Share of TV Revenue



Incentivizes Local Growth Revenue

# Players' Percentage of AR

## TOTAL REVENUE SYSTEM

2006-2009 Cost Credits tripled

3% decrease in All Revenue Share in 3 years

Credits to Owners offset share to Players without Audited Financial Statements

## ALL REVENUE SYSTEM

No Cost Credit System

Player Share floor at \$47% Upper Band 48.5%

Eliminates need for audited financials to ensure fair share

Guarantees players share of rising revenue for the first time in history with 99% and 95% spends of the camp

# Total Revenue vs. All Revenue

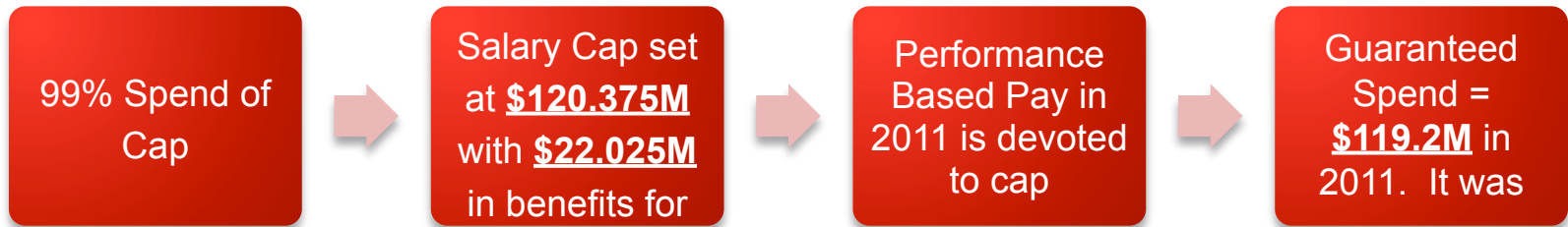
Guarantee of no less than  
47% share over the life of  
the Agreement



True up to actual revenues  
each year

## Guarantee → Verifications of AR System

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# 2011 Cap - Transition



Guaranteed League-Wide Cash Spend of 99% of the Salary Cap in 2011-12

Guaranteed League-Wide Cash Spend of 95% in 2013-16 and 2017-20 four year periods

Minimum Team Cash Spend - 89% of Cap in 2013-16 and 2017-20 on a four year average

# Minimum Spend Requirements

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Overall limit on total rookie compensation of \$874M in 2011, increasing with cap



First year rookie compensation of \$159M in 2011, increasing with cap



Mandatory contract length

- 4 years (plus a 5<sup>th</sup> year club option for Round 1)
- 4 years for Rounds 2 to 7

# Rookie Compensation

5<sup>th</sup> year club option  
for 1<sup>st</sup> rounder to be  
exercised after the  
player's 3<sup>rd</sup> season,

**Picks 1 to 10 –**  
Salary of the average  
of the top ten players  
at player's position

**Picks 11 to 32 –**  
Salary of the average  
of the top 3<sup>rd</sup> through  
25<sup>th</sup> players at

# Rookie Compensation

As a quarterback, the 1st pick in the 2011 Draft may earn \$22.03M over four years, plus an option year salary of \$14.3M (assuming a 5% growth rate) in his 5<sup>th</sup> year if

No limit on the amount of guaranteed money a player may contract for with his allocation, except guarantees can't skip years.

# Rookie Compensation

Proven Performance Escalator for Rounds 3 -7 in the fourth year based on 35% play time in two of the first three seasons or an average of 35% over three years

Escalator increases 4<sup>th</sup> year salary to the ROFR amount which is \$1.2M in 2011 but increases with the Salary cap

# Rookie Compensation

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Savings from change in Rookie compensation system calculated to be \$25m for 2012, \$50m for 2013, \$100m in 2014, and increasing each year thereafter with the

Savings to be spent on Legacy fund, veteran performance pool or any other purpose the NFLPA may deem appropriate

# Rookie Compensation

| CS  | 2011 | 2012 | 2013 | 2014 |
|-----|------|------|------|------|
| 0   | 375  | 390  | 405  | 420  |
| 1   | 450  | 465  | 480  | 495  |
| 2   | 525  | 540  | 555  | 570  |
| 3   | 600  | 615  | 630  | 645  |
| 4-6 | 685  | 700  | 715  | 730  |
| 7-9 | 810  | 825  | 840  | 855  |
| 10+ | 910  | 925  | 940  | 955  |

# Minimum Salaries

Increased \$55k from 2010

# **Guaranteed Contracts Against Injury (New Benefit)**

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Limited to 9 weeks

## Three Phases

- **Phase One**
  - Two weeks; limited to strength and conditioning

Fines for violations (in addition to week of lost workouts):

- Coaches - **\$100K** for 1<sup>st</sup> violation; **\$250K** for 2<sup>nd</sup>
- Clubs - **\$250K** for 1<sup>st</sup> violation; **\$500K** for 2<sup>nd</sup>

# Offseason Workouts

Physicals on Monday but not practice;  
practices Tuesday – Thursday; day off on  
Friday

Maximum of 3 ½ hours on the field per  
day

- One practice per day up to 2 ½ hours
- Second practice limited to walk through

# Minicamp

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Mandatory veteran reporting date no earlier than [15] days prior to the first preseason game

1<sup>st</sup> day limited to physicals and meetings

2<sup>nd</sup> and 3<sup>rd</sup> day no pads or contact

Only one padded practice per day limited to 3 hours with the second practice up to the 4 hour limit being a walk through

# Preseason

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Limit of 14 total padded practices during the Regular Season, 11 of which must be held during the first 11 weeks (club may hold 2 padded

One padded practice per week in postseason

Padded practices limited to 3 hours

Bye Weeks – [five] consecutive days off

# Regular/Postseason

League wide rules regarding maximum forfeiture provisions for signing, roster, report and option bonuses

Forfeiture limited and generally proportionate to games missed due to breach (e.g. missing training camp for six days would result in forfeiture of 15% of

## Forfeiture Provisions

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System Arbitrator for AR, Salary Cap and free agency issues selected by the parties.

Appeals to a 3-member appeals panel, including at least one former judge.

3-year statute of limitations.

# Dispute Resolution

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\$620M to be paid to former players during the term of the Agreement

51% to be paid by the NFL outside of the cap

49% to be paid out of the players share of AR

# Legacy Fund

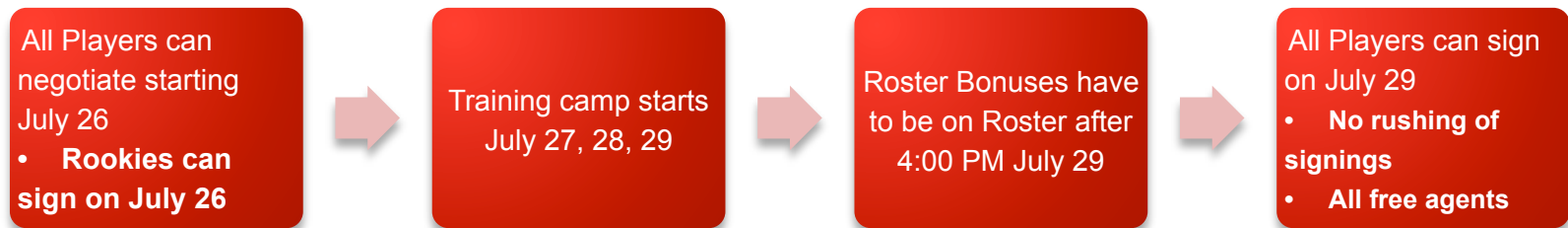
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Ten years through the 2020 Season

2021 draft; end of deal rights

# Length of Agreement/Rights on Termination





# Return to Football

## **Board of Player Representatives and Executive Committee Recommendation**

### **Training Camps stay on schedule**

- Step One: Team by team decision to become a Union
- Step Two: Reconstitution as Union by player vote only
- Step Three: Negotiation of collectively bargained issues (ie: improved health and safety; benefits; drug testing; pension)
- Step Four: Ratification of CBA by player vote

# **CBA Ratification Process**

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