A. LEAGUE CONSTITUTIONS

MAJOR LEAGUE BASEBALL CONSTITUTION
(adopted in 2000, replacing and modeled on the Major League Agreement in effect from 1921 to 2000)

Article II—THE COMMISSIONER

Sec. 2. The functions of the Commissioner shall include:

(a) To serve as Chief Executive Officer of Major League Baseball. The Commissioner shall also have executive responsibility for labor relations and serve as Chairman, or shall designate a Chairman, of such committees as the Commissioner shall name or the Major League Clubs shall from time to time determine by resolution.

(b) To investigate, either upon complaint or upon the Commissioner’s own initiative, any act, transaction or practice charged, alleged or suspected to be not in the best interests of the national game of Baseball, with authority to summon persons and to order the production of documents, and, in case of refusal to appear or produce, to impose such penalties as are hereinafter provided.

(c) To Determine, after investigation, what preventive, remedial or punitive action is appropriate in the premises, and to take such action either against Major Leagues, Major League Clubs or individuals, as the case may be.

(d) From time to time, to formulate and to announce the rules of procedure to be observed by the Commissioner and all other parties in connection with the discharge of the Commissioner’s duties. Such rules shall always recognize the right of any party in interest to appear before the Commissioner and to be heard.

(e) To appoint a President of each League to perform such duties as the Commissioner may direct.

(f) To make decisions, or to designate an officer of the Commissioner’s Office to make decisions, regarding on-field discipline, playing rule interpretations, game protests and any other matter within the responsibility of the League Presidents prior to 2000.

Sec. 3. In the case of conduct by Major League Clubs, owners, officers, employees or players that is deemed by the Commissioner not to be in the best interests of Baseball, punitive action by the Commissioner for each offense may include any one or more of the following: (a) a reprimand; (b) deprivation of a Major League Club of representation in Major League Meetings; (c) suspension or removal of any owner, officer or employee of a Major League Club; (d) temporary or permanent
ineligibility of a player; and (e) a fine, not to exceed $2,000,000 in the case of a Major League Club, not to exceed $500,000 in the case of an owner, officer or employee, and not to exceed $500 in the case of a player; (f) loss of the benefit of any or all of the Major League Rules, including but not limited to the denial or transfer of player selection rights provided by Major League Rules 4 and 5; and (g) such other actions as the Commissioner may deem appropriate.

Sec. 4  Notwithstanding the provisions of Section 2, above, the Commissioner shall take no action in the best interests of Baseball that requires the Clubs to take, or refrain from taking, action (by vote, agreement or otherwise) on any of the matters requiring a vote of the Clubs at a Major League Meeting that are set forth in Article II, Section 9 or in Article V, Section 2(a) or (b); provided, however, that nothing in this Section 4 shall limit the Commissioner’s authority to act on any matter that involves the integrity of, or public confidence in, the national game of Baseball. Integrity shall include without limitation, as determined by the Commissioner, the ability of, and the public perception that, players and Clubs perform and compete at all times to the best of their abilities. Public confidence shall include without limitation the public perception, as determined by the Commissioner, that there is an appropriate level of long-term competitive balance among Clubs.

Sec. 5.  Notwithstanding the provisions of Section 2 and 4, above, the powers of the Commissioner to act in the best interests of Baseball shall be inapplicable to any matter relating to the process of collective bargaining between the Clubs and the Major League Baseball Players Association.

Sec. 6.  In the case of conduct by organizations not parties to this Constitution, or by individuals not connected with any of the parties hereto, that is deemed by the Commissioner not to be in the best interests of Baseball, the Commissioner may pursue appropriate legal remedies, advocate remedial legislation and take such other steps as the Commissioner may deem necessary and proper in the interests of the morale of the players and the honor of the game.

* * *

Sec. 8.  (a) The Commissioner shall hold office for a minimum term of three years or for such longer term as shall be established by the Major League Clubs at the time of the Commissioner’s election. The Commissioner shall be eligible to succeed himself or herself.

(b) Any re-election shall be considered at a Major League Meeting held not less than six months nor more than 15 months prior to the expiration of any term. The Commissioner’s compensation shall be fixed at the time of election.
(c) No diminution of the compensation or powers of the present or any succeeding Commissioner shall be made during the Commissioner’s term of office.

Article V—MAJOR LEAGUE MEETINGS

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Sec. 2. (a) The vote of a majority of the Major League Clubs shall be required for the approval of any of the following:

1. Any action relating to the process of collective bargaining with the Major League Baseball Players Association or with any representative of the Major League umpires;
2. Any action relating to scheduling for the championship season;
3. Any action relating to the All-Star Game, Division Series, League Championship Series or World Series;
4. Any action to amend Major League Rule 25 relating to the Uniform Playing Rules and Official Scoring Rules; provided, however, that any action to amend the designated hitter rule shall require the vote of three-fourths of all Clubs;
5. Any action relating to radio, television or other audio or video media (including the Internet or any other online technology), including but not limited to any agreement or amendment thereto with any other party, pursuant to which there is the grant, license or other transfer of radio, television or other audio or video media rights for Major League Baseball games.

(b) The vote of three-fourths of the Major League Clubs shall be required for the approval of any of the following:

1. Expansion by the addition of a new Club or Clubs or contraction by the subtraction of a Club or Clubs;
2. The sale or transfer of a control interest in any Club; provided, however, that a majority vote of all Major League Clubs shall be sufficient to approve any such sale or transfer occurring upon the death of an owner to a spouse or one or more lineal descendants. For purposes hereof, the term “control” shall mean the possession by the transferee, directly or indirectly, of the power or authority to influence substantially the management policies of the Club. A sale or transfer of a non-control interest in any Club shall require only the approval of the Commissioner;
3. The relocation of any Major League Club;
4. Any change from the present form of three-division play in either League (e.g., two-division or four-division play);
(5) The realignment of one or more Clubs into a different division(s) or into the other League; provided, however, that (except pursuant to the Membership Agreements with and the standing resolutions pertaining to the Arizona and Tampa Bay Clubs) no Club may be moved to a different division or to the other League without its consent;

(6) Any provision affecting the sharing by the Major League Clubs of revenues from any source;

(7) Any provision amending this Constitution, except as specifically provided elsewhere in this Constitution; or

(8) The involuntary termination of the rights, privileges and properties of a Major League Club pursuant to the procedures of Article VIII hereof.

(c) Except as specifically provided in Article II, Section 9 and Article V, Section 2(b) of this Constitution, all actions to be voted upon by the Major League Clubs shall be decided by a majority vote of all Major League Clubs.

(d) Interpretation and applicability of this Section 2 shall be made by the Commissioner and that decision shall be final and non-appealable.

** Sec. 9. ** The election of a Commissioner hereunder shall be at a Major League Meeting; * *** [election] shall require the affirmative vote of not less than three-fourths of all Major League Clubs. The re-election of a Commissioner to succeed himself or herself *** shall require the affirmative vote of not less than a majority of all Major League Clubs. During any period of incapacity of the Commissioner, as determined by a majority of the Executive Council or by the Commissioner, all the powers and duties of the Commissioner shall be conferred upon and exercised by the Executive Council. During any vacancy in the Office of Commissioner, all the powers and duties of the Commissioner shall be conferred upon and thenceforth exercised by the Executive Council, until a Commissioner of Baseball has been elected as herein set forth. . . .

** Article VI—ARBITRATION **

Sec. 1. All disputes and controversies related in any way to professional baseball between Clubs or between a Club(s) and any Major League Baseball entity(ies) (including in each case, without limitation, their owners, officers, directors, employees and players), other than those whose resolution is expressly provided for by another means in this Constitution, the Major League Rules, the Basic Agreement between the Major Leagues and the Major League Baseball Players Association, or the collective bargaining agreement with any representative of the Major
League umpires, shall be submitted to the Commissioner, as arbitrator, who, after hearing, shall have the sole and exclusive right to decide such disputes and controversies. The procedure set forth in this Section is separate from and shall not alter or affect the procedure set forth in Article V governing the role of the Commissioner at Major League Meetings, or the Commissioner’s powers to act in the best interests of Baseball under Article II.

Sec. 2. The Major Leagues Clubs recognize that it is in the best interests of Baseball that all actions taken by the Commissioner under the authority of this Constitution, including, without limitation, Article II and this Article VI, be accepted and complied with by the Clubs, and that the Clubs not otherwise engaged in any form of litigation between or among themselves or with any Major League Baseball entity, but resolve their differences pursuant to the provisions of this Constitution. In furtherance thereof, the Clubs (on their own behalf and including, without limitation, on behalf of their owners, officers, directors and employees) severally agree to be finally and unappealably bound by actions of the Commissioner and all other actions, decisions or interpretations taken or reached pursuant to the provisions of this Constitution and severally waive such right of recourse to the courts as would otherwise have existed in their favor. ***

Sec. 3. The form of player’s contract to be used by the Major League Clubs, and all contracts between Major League Clubs and their officers and employees, shall contain a clause by which the parties agree to submit themselves to the jurisdiction of the Commissioner, and to accept the Commissioner's decisions rendered in accordance with this Constitution.

Article VIII—CLUBS AND TERRITORIES

Sec. 1. Clubs. There shall be 30 Major League Clubs, which agree hereby to act at all times in the best interests of Baseball. The Clubs shall be organized into two Leagues, the American League and the National League, with three divisions in each League, as follows: [list of divisions and teams in each division omitted].

Sec. 2. Expansion, Contraction, Realignment, Divisions. Any increase or decrease in the number of or any realignment of the Major League Clubs or any change from the present form of three-division play shall be governed by the voting provisions in Article V, Section 2(b) [to wit, a three-fourths vote of all the Clubs].

Sec. 4. Involuntary Termination. The rights, privileges and other property rights of a Major League Club hereunder and any other Baseball-related agreement may be terminated (i) in the event of contraction . . . or (ii) involuntarily, with the approval of three-fourths of all Major League Clubs, if the Club in question shall do or suffer any of
the following: [list of 12 categories of misconduct or circumstances omitted].

Sec. 8. Operating Territories. The Major League Clubs shall have assigned operating territories within which they have the right and obligation to play baseball games as the home club. [Detailed specific description of each club’s home territory omitted.]

Sec. 9. Home Television Territories. The definitions of the home television territories of the Major League Clubs shall be maintained in the Commissioner’s Office. Amendments to such territories shall be made only with the approval of the Executive Council.

Article X—MAJOR LEAGUE CENTRAL FUND

Sec. 1. Maintenance of Major League Central Fund. There shall be maintained for the Major League Clubs in the Office of the Commissioner a separate account to be known as the “Major League Central Fund” and to be administered by the Executive Council. All sums received for the account of the parties hereto under this Constitution shall be deposited in the Major League Central Fund. The Commissioner is hereby appointed the fiscal agent of the Major League Central Fund.

Sec. 3. Major League Club Broadcasts. Major League Club practices with regard to the telecasting and radio broadcasting of games are governed as follows:

(a) The Clubs hereby agree that each Club shall have, with respect to each game in which it participates, the right to authorize the telecast of such game only by means of over-the-air, cable and satellite technology, and only within its home television territory.

(c) Each Club shall provide in its ballpark to the visiting Club suitable space to be used for the purposes described in [(a)] above.

Article XI—MISCELLANEOUS

Sec. 1. Fiscal Responsibility. Each Major League Club, at the close of such Club’s fiscal year (or at the close of the calendar year if such Club’s fiscal year, which includes the baseball season, closes in the next calendar year) must have a ratio of assets to liabilities of not less than 60 (assets) to 40 (liabilities). The implementation, administration and interpretation of the requirements of this 60/40 Rule shall be in accordance with regulations and policies promulgated by the Commissioner.

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Sec. B
MAJOR LEAGUE (BASEBALL) RULES

Rule 2—PLAYER LIMITS AND RESERVE LISTS

(a) RESERVE LISTS

(1) Filing of Reserve Lists. On a date designated by the Commissioner (which shall be no later than November 20), each Major League Club shall file Major League and Minor League Reserve Lists with the Commissioner and/or the Commissioner's designee. A Major League Club shall include on its Major League Reserve List all players, player-managers and player-coaches who are currently under Major League Uniform Player's Contracts (unless they have been assigned outright to a Minor League Club) or who have been promoted to Major League status and must be tendered a Major League Uniform Player's Contract for the following championship season by December 20.

A Major League Club also must file a separate Minor League Reserve List for each Minor League classification in which it desires to reserve Minor League players. A Major League Club, however, may reserve players only in classifications in which it owned or had a PDC with a Minor League Club during the previous season. All players on one of the Minor League Reserve Lists filed by a Major League Club shall be reserved only to the Major League Club, which shall have the exclusive contractual right to the services of the players on such a list.

(3) Effect of Placement on Reserve List. No player on a Reserve List filed by a Major League or Minor League Club shall be eligible to play or negotiate with any other Major League or Minor League Club until the player is removed from the Reserve List because the player's contract has been terminated or assigned.

(b) MAXIMUM NUMBER OF RESERVED PLAYERS

(1) Major League Club Limits. A Major League Club may place a maximum number of

(A) 40 players on its Major League Reserve List;

(B) 38 players on its Class AAA Reserve List for each Class AAA Club that it owned or with which it had a PDC during the previous season;

(C) 37 players on its Class AA Reserve List for each Class AA Club that it owned or with which it had a PDC during the previous season;

(D) 35 players on its Class A Reserve List for each Class A or Short–Season A Club that it owned or with which it had a PDC during the previous season; and
(E) 35 players on its Rookie Reserve List for each Rookie classification Club that it owned or with which it had a PDC during the previous season.

(c) ACTIVE LISTS

(1) Filing and Maintenance. Each Major League Club must file and maintain an Active List with the Commissioner and/or the Commissioner’s designee for the Major League Club itself and for all Minor League Clubs that it owns or with which it has a PDC. . . .

An Active List must include all players who are currently eligible to play in a championship season game for the Major League or the Minor League Club for which the list was filed. . . .

(2) Numerical Limits.

(A) The maximum number of players who may be placed on an Active List for a Major League Club shall be 25 from opening day until midnight on August 31 of the same championship season, at which time the number of players on the Active List of a Major League Club may be increased to 40.

(d) VOLUNTARILY RETIRED, RESTRICTED, DISQUALIFIED AND INELIGIBLE LISTS. Players on the Voluntarily Retired, Restricted, Disqualified or Ineligible Lists shall not count against either the Reserve List or Active List limits. A player under a Major League Uniform Player’s Contract or Minor League Uniform Player Contract who has been reserved for two consecutive years on the Voluntarily Retired, Restricted, Disqualified or Ineligible Lists shall be omitted from further Reserve Lists and shall not be eligible to play until the player is first reinstated in accordance with Rule 16 (Reinstatement of Players). Upon reinstatement, the Major League or Minor League Club to which the player is reserved shall restore the player to the same status that the player had at the time when the player retired or became ineligible.

(g) MAJOR LEAGUE DISABLED LIST. Upon written application to the Commissioner and/or the Commissioner’s designee, a Major League Club may request that a player on its Major League Active List, who is unable to render services because of a specific injury or ailment, be placed on one of the Disabled Lists set forth in this Rule 2(g). . . .
Rule 3—ELIGIBILITY TO SIGN CONTRACT, CONTRACT TERMS, AND CONTRACT TENDERS

(a) ELIGIBILITY TO SIGN PROFESSIONAL BASEBALL CONTRACTS.

(1) General Rules. Subject to the High School, College, and Junior College Rules listed in this Rule 3(a), a Major or Minor League Club may contract with a player under the conditions and restrictions set forth in this Rule 3.

(A) A player who has not previously contracted with a Major or Minor League Club, and who is a resident of the United States or Canada, may be signed to a contract only after having been eligible for selection in the Rule 4 draft. A player shall be considered a “resident of the United States” if the player enrolls in a United States high school or college or establishes a legal residence in the United States on the date of the player’s contract or within one year prior to that date.

(B) A player who has not previously contracted with a Major or Minor League Club, who is not a resident of the United States or Canada, and who is not subject to the High School, College, Junior College or American Legion Rules, may be signed to a contract if the player: (i) is at least 17 years old at the time of signing, or (ii) is 16 at the time of signing, but will attain age 17 prior to either the end of the effective season for which the player has signed or September 1 of such effective season, whichever is later.

(2) High School Rules.

(A) United States and Canada. Except as noted in this Rule 3(a)(2), no high school student in the United States or Canada shall be signed to a contract by a Major or Minor League Club during any period the student is eligible for participation in high school athletics.

(3) College Players.

(B) Except as set forth in Rule 3(a)(3)(E) (Exceptions), a player who is a member (or, if a freshman, a prospective member) of a baseball team that represents a college in intercollegiate competition may not be signed by a Major or Minor League Club during the period beginning with the date the player attends the first class in the player’s freshman year and ending with the graduation of the class with which the player originally entered college.

(E) Exceptions. Rule 3(a)(3)(B) shall not apply to any player: (i) who is at least 21 years old and is currently between school years;
(ii) who has completed junior year and is currently between school years; (iii) who has completed the full period of eligibility for intercollegiate baseball; (iv) whose association with the player’s college has been terminated by reasons of scholastic deficiency; or (v) who withdraws from college and remains out for at least 120 days (including the date of withdrawal).

Rule 4—FIRST YEAR PLAYER DRAFT

(a) PLAYERS SUBJECT. A Major League or Minor League Club may contract with a player who is a resident of the United States or Canada and who has not previously contracted with a Major League or Minor League Club, only in accordance with this Rule 4 and the provisions of any applicable High School, College, or Junior College Rules. For purposes of this Rule 4, the term “United States” shall mean the 50 states of the United States of America, the District of Columbia, Puerto Rico, and any other Commonwealth, Territory or Possession of the United States of America. Players who are eligible to contract on the date of the First-Year Player Draft, or within 45 days thereafter, may be selected.

(c) ORDER OF SELECTION. The following order of priorities shall govern the Major League Clubs’ selections at each First-Year Player Draft.

(1) Standard Selection Order. The Major League Clubs shall be placed in the reverse order of their percentages of games won at the close of the preceding championship seasons. For purposes of this Rule 4(c)(1), each Club’s winning percentage at the close of the preceding championship season shall be determined by the percentage of games won in the championship season, without regard to standings within any Division or League and without regard to post-season results. If two or more Clubs had an identical winning percentage at the close of the preceding championship season, the selection order or those Clubs shall be determined by the percentage of games won in the next prior championship season, with any remaining ties resolved by continuing to examine the tied Clubs’ respective championship season winning percentages in each preceding prior year, until the tie is broken. The Commissioner or the Commissioner’s designee shall announce to the Major League Clubs the standard selection order produced by operation of this Rule 4(c), and that order shall govern each round.

(d) EFFECT OF SELECTION ON PLAYER. A selected player shall be placed on the Major League Club’s Negotiation List and shall remain on such Negotiation List until:

(1) such player signs a Major or Minor League contract that is approved at any time by the Commissioner of the Commissioner’s designee pursuant to Rule 3(e)(2);
(2) such player is removed because of ineligibility for selection;
(3) August 16 at 12:01 a.m., Eastern Time, if such player has not utilized all of such player’s potential college eligibility to play baseball;
(4) such player is removed because the Major League Club’s Negotiation Right has been revoked under Rule 4(c) (Negotiation Rights); or
(5) the state of the next year’s Closed Period, as defined by Rule 4(f), if such player has utilized all of such player’s potential college eligibility to play baseball.

Rule 5—ANNUAL SELECTION OF PLAYERS

(a) MEETINGS. A selection meeting shall be held each year at such time and place as the Commissioner shall designate and shall be known as the Rule 5 Selection Meeting. At the Rule 5 Selection Meeting, Major League Clubs may claim the contracts of players who are on Minor League Reserve Lists (filed pursuant to Rule 2) and who are subject to selection as set forth in this Rule 5. If any Major League or Minor League Club shall fail to file Minor League Reserve Lists in accordance with Major League Rule 2, its players on Minor League Reserve Lists shall be subject to selection under this Rule 5 without any restrictions. The Commissioner shall decide all procedural questions that may arise during the Rule 5 Selection Meeting.

(b) METHOD AND PRIORITY OF SELECTIONS. Selections under this Rule 5 shall be made in three separate phases: the Major League phase, the Class AAA phase and the Class AA phase. A player selected in one of the three phases must be placed on the Major League Club’s Reserve List in the same classification of the phase in which the player was selected. Within each phase, only players from a Reserve List of a lower classification Club are eligible for selection. Thus, a player selected from a Class AAA Reserve List must be placed on the Major League Reserve List of the selecting Major League Club. Similarly, a player selected from a Class AA Reserve List must be placed on either a Major League or Class AAA Reserve List of the selecting Major League Club, and a player selected from a Class A, Short–Season A or Rookie Reserve List must be placed on either the Major League, Class AAA, or Class AA Reserve List of the selecting Major League Club.

(c) PLAYERS SUBJECT TO SELECTION. All players on the Minor League Reserve Lists of Major League and Minor League Clubs, except players on the Voluntarily Retired, Disqualified or Ineligible Lists, shall be subject to selection by other Major League Clubs at the Rule 5 Selection Meeting in accordance with the following:
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(1) A player without previous Major and Minor League service who signs with a Major League or independent Minor League Club shall be subject to selection based on the following:

A. if 18 years of age or under on the June 5 immediately preceding the player’s signing, the player shall be subject to selection at the fifth Rule 5 Selection Meeting that follows the signing date of the player’s first Major or Minor League contract, unless Rule 5(c)(1)(C) applies;

B. if 19 years of age or over on the June 5 immediately preceding the player’s signing, the player shall be subject to selection at the fifth Rule 5 Selection Meeting that follows the signing date of the player’s first Major or Minor contract unless Rule(c)(1)(C) applies;

C. if the signing date of the player’s first Major or Minor League contract is between

(i) the conclusion of the championship season for
    the Major or Minor League Club to which the player is
    assigned on such contract and

(ii) the next Rule 5 Selection Meeting,

then the player shall be deemed to have signed after the next Rule 5 Selection Meeting, for purposes of this Rule 5(c)(1)

(d) CONSIDERATION, PAYMENT, AND RESPONSIBILITY. The consideration for a selection under this Rule 5 shall be as follows:

(1) $50,000, if the selected player is placed on a Major League Reserve List;

(2) $12,000, if the selected player is placed on a Class AAA Reserve List;

(3) $4,000, if the selected player is placed on a Class AA Reserve List.

(f) COVERING UP. No agreement shall be made for the purpose or with the effect of covering up a player from selection. If the Commissioner shall be of opinion that any such agreement has been made, the Commissioner may impose a fine upon each party to such an agreement.

Rule 13—SUSPENDED PLAYERS

(a) MISCONDUCT OR INSUBORDINATION. A Major or Minor League Club may suspend a player that it has under a Major League Uniform Player’s Contract or Minor League Uniform Player Contract for insubordination or other misconduct or for violation by the player of any regulation or other provision of the player’s contract. At its discretion, the Major or Minor League Club with which the player is
under contract may impose a reasonable fine and deduct the amount of
the fine from the player's salary or may suspend the player without
salary for a period not exceeding 30 days, or both. Written notice of the
fine, or suspension, or both, and of the reason for the fine and/or
suspension shall in every case be given to the player. During the period of
suspension the player shall be ineligible to play with any other Major or
Minor League Club.

(b) PLAYER NOT IN CONDITION. A player under a Major
League Uniform Player's Contract or Minor League Uniform Player
Contract who fails to get into playing condition within 60 days after the
commencement of the training season of the player's Club may be
suspended without pay until the player is in condition to play.

(c) APPEAL. A player suspended by a Major or Minor League Club
or a Major or Minor League for a term longer than 10 days shall have the
right to appeal to the Commissioner and/or the Commissioner's
designee.

Rule 21—MISCONDUCT

(a) MISCONDUCT IN PLAYING BASEBALL. Any player
or person connected with a Club who shall promise or agree to lose, or to
attempt to lose, or to fail to give his best efforts towards the winning of
any baseball game with which he is or may be in any way concerned, or
who shall intentionally lose or attempt to lose, or intentionally fail to give
his best efforts towards the winning of any such baseball game, or who
shall solicit or attempt to induce any player or person connected with a
Club to lose or attempt to lose, or to fail to give his best efforts towards
the winning of any baseball game with which such other player or person
is or may be in any way concerned, or who, being solicited by any person,
shall fail to inform his Major League President and the Commissioner (in
the case of a player or person associated with a Major League Club) or the
President of the Minor League Association (in the case of a player or
person associated with an independent Minor League Club) immediately
of such solicitation, and of all facts and circumstances connected
therewith, shall be declared permanently ineligible.

(d) BETTING ON BALL GAMES.

(1) Any player, umpire, or Club or League official or employee, who
shall bet any sum whatsoever upon any baseball game in connection
with which the bettor has no duty to perform, shall be declared
ineligible for one year.

(2) Any player, umpire, or Club or League official or employee, who
shall bet any sum whatsoever upon any baseball game in connection
with which the bettor has a duty to perform, shall be declared
permanently ineligible.
(f) OTHER MISCONDUCT. Nothing herein contained shall be construed as exclusively defining or otherwise limiting acts, transactions, practices or conduct not to be in the best interests of Baseball; and any and all other acts, transactions, practices or conduct not to be in the best interests of Baseball are prohibited and shall be subject to such penalties, including permanent ineligibility, as the facts in the particular case may warrant.

Sec.  B

NATIONAL FOOTBALL LEAGUE CONSTITUTION AND BY-LAWS

Article II—PURPOSES AND OBJECTS

2.1 The purpose and objects for which the League is organized are:

(A) To promote and foster the primary business of League members, each member being an owner of a professional football club located in the United States.

(B) To do and perform such other functions as may be necessary to carry out the purpose and objects of the League.

2.2 The League is not organized nor to be operated for profit.

Article III—MEMBERSHIP

Members

3.1 (A) Membership in the League shall be limited to the thirty-two (32) member clubs specified in Section 4.5 hereof and such new members as may be thereafter duly elected.

(B) The admission of a new member club, either within or outside the home territory of an existing member club, shall require the affirmative vote of three-fourths of the existing member clubs of the League.

Eligibility of New Members

3.2 Any person, association, partnership, corporation, or other entity of good repute organized for the purpose of operating a professional football club shall be eligible for membership except:

(A) No corporation, association, partnership or other entity not operated for profit nor any charitable organization or entity not presently a member of the League shall be eligible for membership.
If any privately held corporation, partnership, trust, or other entity owns or operates, directly or indirectly, any substantial non-football business or assets and owns, directly or indirectly, an interest in or otherwise operates a member club, then:

(1) The member club shall be held in a separate corporation, partnership, or trust (the “Football Company”), the primary purpose of which shall at all times be and remain the operation of a professional football team as a member club of the League, which such primary purpose shall not be changed, and the only material asset of which shall be the member club;

(2) The ownership interest in the Football Company shall be held directly by a holding company that shall have no operating business or material assets but only ownership interests in other entities, and the ownership interests in the holding company shall be owned directly by individuals (or certain trusts or partnerships approved by the Commissioner’s office);

[EXCERPT OF NFL RESOLUTION FC–3, not in the Constitution, adopted in 1997:

Be it Resolved, As follows: That the controlling owner of an NFL club may acquire an interest in a major league baseball, basketball or hockey (“other major sports league”) franchise (subject to prior notice to the Commissioner and to such covenants and safeguards as the Commissioner and Finance Committee may determine are appropriate to address actual or perceived conflicts of interest that may arise in the particular situation), but only if such other franchise is located (1) within the home territory of the owner’s NFL club, or (2) within a neutral area, i.e., any area that is not within the home territory of any NFL club.

Transfer of Membership

3.5 No membership, or any interest therein, may be sold, assigned, or otherwise transferred in whole or in part except in accordance with and subject to the following provisions: [application procedures omitted]

(B) ... [T]he Commissioner shall conduct such investigation as he deems appropriate. Upon completion thereof, the Commissioner shall submit the proposed transfer to the members for approval, together with his recommendation thereon, and all information in respect thereto that the Commissioner deems pertinent. All sales,
transfers or assignments except a transfer referred to in Section 3.5 (C) hereof, shall only become effective if approved by the affirmative vote of not less than three-fourths or 20, whichever is greater, of the members of the League.

Effect of Termination

3.8 (A) Upon the expulsion of a member or upon any other involuntary termination of membership, the following shall occur:

(1) The lease of its playing field or interest of the member therein, if and to the extent the lease or interest is assignable, shall, upon demand of the League, be assigned to the League or its nominee, provided, however, that the assignment of said lease to the League shall first be approved by the affirmative vote or written consent of no less than three-fourths or 20, whichever is greater, of the members of the League.

(2) Title to all players contracts of the terminated member and title to all players on the Reserve or Selection List of such terminated member and any interest or right to such players and contracts shall, if demanded by the League, be assigned to the League or its nominee, provided that such assignments are first approved by the affirmative vote or written consent of not less than three-fourths or 20, whichever is greater, of the remaining League members.

(3) All interest of the terminated member in and to any funds or property of the League, or any right or interest therein, shall cease.

Membership Covenants and Obligations

3.11. Each member club, and each and all of the owners, officers, stockholders, directors, or partners therein, as well as any other person owning any interest in such member clubs, assumes and agrees to be bound by the following obligations of membership in the League:

(a) They, and each of them, shall be bound by and will observe all decisions of the Commissioner of the League in all matters within his jurisdiction.

* * *

(e) That after becoming a member of the League, the primary purpose of the corporation, partnership, or other entity operating the club shall at all times be and remain the operation of a professional football team as a member club of the League, and such primary purpose shall not be changed.
Article IV—TERRITORIAL RIGHTS

Home Territory Defined

4.1 “Home Territory” with respect to any club means the city in which such club is located and for which it holds a franchise and plays its home games and includes the surrounding territory to the extent of 75 miles in every direction from the exterior corporate limits of such city except as follows:

(A) Whenever any two member clubs *** are located and hold franchises for different cities within 100 miles of each other measured from the exterior corporate limits of such city, then the territorial rights of each of such clubs shall only extend to and include an area of one-half the distance between such cities.

(B) The “home territory” of the Green Bay Packers shall extend to and include all of Milwaukee County, Wisconsin, despite the fact that portions of such County are outside the 75 mile limits from the exterior corporate limits of the City of Green Bay.

Rights Within Home Territory

4.2 Each member shall have the exclusive right within its home territory to exhibit professional football games played by teams of the League except that:

(A) Whenever two club franchises in the League are located in the same city, then the owners of each of such franchises shall have equal rights within the home territory of such city.

(C) ... [N]o club in the League shall be permitted to play games within the home territory of any other club unless a home club is a participant.

League Control of Games

4.3 The League shall have exclusive control of the exhibition of football games by member clubs within the home territory of each member. No member club shall have the right to transfer its franchise or playing site to a different city, either within or outside its home territory, without prior approval by the affirmative vote of three-fourths of the existing member clubs of the League.

Conference Alignment

[Section 4.5 lists the teams assigned to each conference and division.]

(G) Any realignment of the League must be approved by the affirmative vote of three-fourths of the existing member clubs of the League, except that in the case of two-franchise areas (e.g., New York Giants/New York Jets), no realignment placing both franchises in the
same conference can be approved without the consent of the two franchises.

Article VIII—COMMISSIONER

Employment

8.1 The League shall select and employ a person of unquestioned integrity to serve as Commissioner of the League, and shall determine the period and fix the compensation of his employment.

Jurisdiction to Resolve Disputes

8.3 The Commissioner shall have full, complete, and final jurisdiction and authority to arbitrate:

(A) Any dispute involving two or more members of the League, or involving two or more holders of an ownership interest in a member club of the League, certified to him by any of the disputants;

(B) Any dispute between any player, coach, and/or other employee of any member of the League (or any combination thereof) and any member club or clubs;

(C) Any dispute between or among players, coaches, and/or other employees of any member club or clubs of the League, other than disputes unrelated to and outside the course and scope of the employment of such disputants within the League;

(D) Any dispute between a player and any official of the League;

(E) Any dispute involving a member or members in the League or any players or employees of the members of the League or any combination thereof that in the opinion of the Commissioner constitutes conduct detrimental to the best interests of the League or professional football.

Disciplinary Powers of Commissioner

8.13 (A) Whenever the Commissioner, after notice and hearing, decides that an owner, shareholder, partner or holder of an interest in a member club, or any player, coach, officer, director or employee thereof, or an officer, employee or official of the League has either violated the Constitution and Bylaws of the League, or has been or is guilty of conduct detrimental to the welfare of the League or professional football, then the Commissioner shall have complete authority to:

(1) Suspend and/or fine such person in an amount not in excess of five hundred thousand dollars ($500,000), . . . ; and/or

(2) Cancel any contract or agreement of such person with the League or with any member thereof;
(3) In cases involving a violation of the prohibitions against tampering . . ., award or transfer selection choices and/or deprive the offending club of a selection choice or choices; and

(4) In cases involving a violation affecting the competitive aspects of the game, award selection choices and/or deprive the offending club of a selection choice or choices and/or cancel any contract or agreement of such person with the League or with any member thereof and/or fine the offending club in an amount not in excess of five hundred thousand dollars ($500,000). . . .

(B) Whenever the Commissioner determines that any punishment that the Commissioner has the power to impose pursuant to Section 8.13(A), is not adequate or sufficient, considering the nature and gravity of the offense involved, he may refer the matter to the Executive Committee, with a recommendation that all or any part of the following additional or increased punishments or discipline be imposed:

(1) Cancellation or forfeiture of the franchise in the League of any member club involved or implicated. If such occurs, the affected franchise shall be sold and disposed of under the provisions of Section 3.8(B) hereof;

(2) Cancellation or forfeiture of the interest in a member club or in the franchise thereof owned by a person involved or implicated there. If such occurs, the interest held by any person so implicated shall be sold and disposed of under the provisions of Section 3.8(B) hereof;

(3) Declare one or more players of the offending club to be a free agent or that one or more players, and the contracts thereon held by the offending club, be assigned to another club or clubs;

(4) Assignment to another club or a nominee of the League of the lease on any stadium or playing field held for or owned by the defending club or any person owning any interest therein;

(5) Assignment to one or more clubs of players on the Selection or Reserve Lists of the offending club;

(6) Require the sale of any stock or interest in a member club of such offending person by the method and under the procedure specified in Section 3.8(B) hereof; and

(7) Make any other recommendation he deems appropriate.

The Executive Committee may impose such other or additional discipline or punishment as it may decide.

Any such ruling or decision by the Commissioner under the circumstances referred to in this Section 8.13(B), after approval or ratification by the affirmative vote of no less than three-fourths or 20, whichever is greater, of the members of the League, as aforesaid, shall be
final, conclusive, and unappealable. Any party involved in or affected by
any such decision agrees to release and waive any and all claims that
such party may now or hereafter have or possess arising out of or
connected with such decision against the Commissioner, individually and
in his official capacity, as well as against the League and any officer or
employee thereof and every member club therein and against any
director, officer, shareholder, or partner thereof or the holder of any
interest therein, whether for damages or for any other remedy or relief.

(C) Whenever the Commissioner, after notice and hearing,
determines that a person employed by or connected with the League or
any member club thereof has bet money or any other thing of value on the
outcome or score of any game or games played in the League or has had
knowledge of or has received an offer, directly or indirectly, to control, fix
or bet money or other consideration on the outcome or score of a
professional football game and has failed to report the same in the
manner hereinafter prescribed, then such Commissioner shall have
complete and unrestricted authority to enforce any or all of the following
penalties:

(1) Suspend such person indefinitely or for a prescribed period of
time;

(2) Bar such person from the League for life;

(3) Cancel or terminate the contract of such person in the League or
any member club thereof;

(4) Require the sale of any stock, or other interest of such offending
person in any member club by the method and under the procedure
specified in Section 3.8 (B) hereof;

(5) Fine such person in an amount not in excess of five hundred
thousand dollars ($500,000);

(6) Cancel or declare to be forfeited any interest in a member club, or
in the franchise thereof, owned by any person so involved. . . . ;

(7) Assign to another club or a member of the League the lease on any
stadium or playing field held for or owned by the offending club or by
any person owning any interest therein;

(8) Assign to one or more other clubs players on the Selection or
Reserve Lists of the offending club;

(9) Impose such other or additional punishment or discipline as the
Commissioner may decide.
Miscellaneous Power of the Commissioner

8.14 (A) The Commissioner shall have the power, without a hearing, to disapprove contracts between a player and a club, if such a contract has been executed in violation of or contrary to the Constitution and By–Laws of the League, or, if either or both of the parties to such contracts have been or are guilty of an act or conduct which is or may be detrimental to the League or to the sport of professional football.

(B) The Commissioner shall have the power to hear and determine disputes between clubs in respect to any matter certified to by him by either or both of the clubs. He shall also have the power to settle and determine any controversy between two clubs which, in the opinion of the Commissioner involves or affects League policy.

Article IX—PROHIBITED CONDUCT

Conflicting Interests and Prohibited Conduct

9.1 (A) The violation of any of the provisions of this Article IX shall constitute conduct detrimental to the League and professional football.

(B) No member, or stockholder, officer, director, partner or employee thereof, and no officer or employee of the League, including a game official shall:

(1) Own or have any financial interest directly or indirectly, in any other member club the League.

(2) Directly or indirectly loan money to or become surety or guarantor for any other member club or any player, coach, or employee thereof.

(4) Act as the contracting agent or representative for any player or share or be financially interested in the compensation of any player in the League.

(C) No member, nor any stockholder, director, officer, partner, or employee thereof, or person holding an interest therein, nor any office or employee of the League shall:

(4) Publicly criticize any member club or its management, personnel, employees, or coaches and/or any football official employed by the League. All complaints or criticism in respect to the foregoing shall be made to the Commissioner only and shall not be publicized directly or indirectly.

(7) Own, directly or indirectly, any interest whatsoever in a professional football organization, league, club or team not a member of the League, except that these prohibitions shall not apply to the
direct or indirect ownership by NFL owners of interests in clubs in the Arena Football League playing in the home territory of the owner’s NFL club . . . ;

(8) Offer or pay a player or coach, and no player or coach may receive any bonus, money, or thing of value, for winning any game played in the League.

No club or any representative thereof shall offer to pay, directly or indirectly, any bonus of any kind unless such bonus provision is attached to and/or incorporated in the contract of such player;

(10) Tamper with players of college teams who are not eligible for play in the League under the eligibility rules thereof;

(11) Tamper with a player or coaches or other employee under contract to or the property of another member club;

(12) Offer, agree, conspire, or attempt to illegally influence the outcome of the member or fail to suspend immediately any officer or player or other employee of the member who shall be proven guilty of offering, agreeing, conspiring, or attempting to influence the outcome of any game or be interested in any pool or wager of any game in which a member club participates.

Article X—BROADCASTING AND TELEVISION

Contract Conditions

10.1 Any contract entered into by any club for telecasting or broadcasting its games, and the sponsor or sponsors of each game telecast or broadcast pursuant to such a contract, must be approved in writing by the Commissioner in advance of such telecast or broadcast.

Television Restrictions

10.2 Subject to the limitations and exceptions set forth in this Article, member clubs participating in any game are authorized to telecast and broadcast such game anywhere except as follows:

(A) No club shall cause or permit a game in which it is engaged to be telecast into any area included within the home territory of any other club on the day that such other club is engaged in playing a game at home;

(B) No telecast of a home game within the home territory of a club shall be caused or permitted, except by agreement between the participating clubs;

(C) Each home club grants to the visiting club the exclusive right to permit or license the telecast of the game being played between them back to the home territory of the visiting club.
Television Income

10.3 All regular season (and pre-season network) television income will be divided equally among all member clubs of the League regardless of the source of such income, except that the member clubs may, by unanimous agreement, provide otherwise in a specific television contract or contracts.

Player Depiction & Club Promotion

10.7 The player grants to the club controlling his contract and to the League severally and jointly the privilege and authority to use his name and/or picture for publicity and/or advertising purposes in newspapers, magazines, motion pictures, game programs and annual roster manuals, radio material, television telecasts, and all other publicity and/or advertising media, provided such publicity and/or advertising does not in itself constitute an endorsement by that individual player of a commercial product.

Article XII—ELIGIBILITY OF PLAYERS

General Rules of Eligibility

12.1 (A) No person shall be eligible to play or be selected as a player unless (1) all college football eligibility of such player has expired, or (2) at least five (5) years shall have elapsed since the player first entered or attended a recognized junior college, college, or university, or (3) such player receives a diploma from a recognized college or university prior to September 1st of the next football season of the League...

Any player who does not attend college is automatically eligible for selection in the next principal draft that is conducted after four football seasons have elapsed since the player discontinued high school...

[SPECIAL DRAFT ELIGIBILITY POLICY AND PROCEDURE, not in the Constitution, announced February 16, 1990:

1. Applications for special eligibility for the [] draft will be accepted only from college players as to whom three full college seasons have elapsed since their high school graduations,

3. To be declared eligible for the [] draft, a player filing for special eligibility must include in his application an irrevocable renunciation of any further college football eligibility.]

(J) SUPPLEMENTAL DRAFT. Whenever a player or players become eligible for the League subsequent to the principal selection meeting, a supplemental draft will be conducted to admit such players.
Article XIV—SELECTION MEETING

14.1 [An annual] A Selection Meeting of the League shall be held on the second Tuesday following the playing of the last post-season game; **.*.

14.3 (A) At each Selection Meeting each club participating therein shall select players of its own choice; selection shall be made by the clubs in each round in the reverse order of their standing.

Reserve List—Selectees

14.5 The selecting club shall have the exclusive right to negotiate for the services of each player selected by it in the Selection Meeting. Selected players shall be placed on the Reserve List of that club.

Article XVII—PLAYER LIMITS AND ELIGIBILITY

Reserve List

17.5 The Reserve List of each club may consist of players in the following categories: (A) Retired; (B) Did not report; (C) Left squad (quit team); (D) Injured; (E) Physically unable to perform (At the time of the training camp physical); (F) N–F/I (Non-football injury or illness); (G) In military; (H) Selected in Selection Meeting by the club, but never under contract; (I) Suspended or declared ineligible, or expelled from the League for violation of the contract between the player and the club, or for other reasons permitted by this Constitution and By–Laws.

A player on a club’s Reserve List shall not be eligible to contract with any other club unless and until the player is released or his contract assigned as provided in this Constitution and By–Laws.

Article XVIII—WAIVERS

When Required

18.1 (A) Clubs desiring to release players must first give written notice to the Commissioner of such intention. At 4:00 p.m., New York Time, during each day, exclusive of Sundays, the Commissioner shall notify each club of such waiver request and any club desiring the services of said player may claim him. Regardless of the time when the League receives a request for waiver, the Commissioner shall not give the notice thereof to the clubs until 4:00 p.m., New York Time, on the same or succeeding day.
NATIONAL BASKETBALL ASSOCIATION
CONSTITUTION AND BY–LAWS

PRINCIPLES OF ORGANIZATION

This Constitution and By–Laws constitutes a contract among the Members of the Association. This Association is organized to operate a league consisting of professional basketball teams, each of which shall be operated by a Member of the Association. The Association and each of its Members shall be subject to the oversight and control of the Board of Governors of the Association as set forth herein and shall be governed by the Constitution and By–Laws, rules, regulations, resolutions, and agreements of the Association, as they may be modified or amended from time to time. The Association shall not be operated for profit.

TRANSFER OF MEMBERSHIP

5. [Detailed provisions requiring approval of three-fourths of all Governors.]

LIMITATIONS ON INDEBTEDNESS

6. The Board of Governors (and such committees of the Board as it or the Commissioner may appoint) shall have the right to establish limits on the indebtedness and other obligations that any Member or Owner may incur.

FRANCHISE RELOCATION

7. A Member may transfer its franchise, city of operation, or playing site of any or all of its home games, to a different location, within or outside its existing Territory, as defined in Article 10, only in accordance with and subject to the following provisions: . . .

(b) No application to relocate may be made after the first day of March preceding the season in which the proposed relocation is to take effect. Within ten (10) days of the receipt of an application to relocate, the Commissioner shall refer the application to a Committee to investigate the application. The recommendation of the Committee shall be based solely and exclusively upon the following factors:

(i) The support of the Member’s Team in the existing location by fans, telecasters, broadcasters, and sponsors. In evaluating this factor, the Relocation Committee shall consider the Member’s past performance in the management and operation of its Team in the existing location.

(ii) The ability of the Member’s existing location to support a Team in the Association. In evaluating this factor, the Relocation Committee shall consider the following criteria with respect to the Member’s existing location: existing and projected population, income levels,
and age distribution; existing and projected markets for radio, broadcast television, cable television, and other forms of audio-visual transmission of Association games; existing and projected business environment; the size, quality, and location of the Member’s existing arena and any other arena in the existing location, and the terms, if any, on which that other arena would be available to the Member; and the presence, history, and popularity in the existing location of other professional sports teams and other forms of entertainment.

(iii) The ability of the proposed new location to support a Team in the Association or, if the proposed new location is within the existing Territory of a Member, the ability of the proposed new location to support another Team. In evaluating this factor, the Relocation Committee shall consider the following criteria with respect to the proposed new location: projected support of the Member’s team by fans, telecasters, and sponsors; existing and projected population, income levels and age distribution; existing and projected markets for radio, broadcast television, cable television, and other forms of audio-visual transmission of Association games; existing and projected business environment; the size, quality and location of the arena in which the Member proposes to play its home games; and the presence, history and popularity in the proposed new location of other professional sports teams and other forms of entertainment.

(iv) The Member’s ability to operate an Association team successfully in the proposed new location. In evaluating this factor, the Relocation Committee shall consider the applicant’s present and projected financial condition and its financial resources.

(v) The Member’s past performance in the management and operation of its Team in the Association.

(vi) The effect of the proposed relocation on the Association’s ability to market and promote Association basketball on a nationwide basis in a diverse group of geographic markets.

(vii) The effect of the proposed relocation on the Association’s existing or prospective commercial relationships with telecasters, broadcasters, sponsors, and others.

(viii) The extent to which the proposed new location presents particular disadvantages for the operation of the Association, such as by creating significant traveling or scheduling difficulties or because of adverse laws or regulations.

(ix) The interest of other Members, in addition to the applicant, in transferring their Teams to the proposed new location, or the interest of other persons or Entities in obtaining a new
Membership to operate an NBA team in the proposed new location.

In any such event:

(A) Except as otherwise provided herein, all applicants shall follow the procedures set forth in Article 4 or this Article 7, as the case may be. All additional applications to establish an NBA team in the proposed new location for the Season to which the initial application relates shall be made within forty-five (45) days of the Commissioner’s receipt of the initial application referred to in subparagraph (a), and the one hundred twenty (120) day period provided for in subparagraph (b) of this Article 7 shall be extended by no longer than forty-five (45) days after the Commissioner’s receipt of the initial application.

(B) The Relocation Committee shall investigate each of the applications and shall recommend which of the applications, if any, should be granted. In reaching its recommendation, the Relocation Committee shall consider all factors listed in subparagraphs (b)(i–viii) of this Article 7 and shall also consider:

(i) which applicant is likely to operate most successfully in the proposed new location, or otherwise best serve the interests of the Association; and

(ii) in the case of a proposed expansion team to be operated by a new Member, whether the interests of the Association would best be served by expanding the number of Members in the Association.

(d) The report and recommendation of the Committee shall be delivered to each Member of the Board of Governors. The question whether to approve the proposed relocation shall be decided by a majority vote of all of the members, and no vote by proxy shall be permitted. The vote of each Governor on the proposed relocation shall be based solely and exclusively upon the factors listed in subparagraph (b)(i–iv) of this Article.

TERRITORY

10. (a) . . . the Territory of a Member shall be the territory incorporated within an area of seventy-five (75) air miles of the corporate limits of the city of operation, except that when the line circumscribing the Territory of a Member intersects with the line circumscribing the Territory of another Member, the respective Territories shall be evenly divided by a line between the two (2) points of intersection.

(b) . . . a Team operated by a Member shall have no right to play in the Territory of another Member without the consent of the resident Member; . . .
12. For purposes of this Article 12, a Member shall be deemed to be involved in a bankruptcy proceeding if it makes an assignment for the benefit of creditors, a receiver is appointed for all or substantially all of its assets, it voluntarily files a petition for relief under Title 11 of the United States Code or any foreign or state law providing for relief of debtors, or any such petition is filed against it and not discharged within thirty (30) days. The Members of the Association each acknowledge that substantial hardship may result to the creditors of a Member involved in a bankruptcy proceeding, to the other Members of the Association, and to the public if the operations of such Member’s Team are not continued under the direction of a qualified person having no relationship to such Member. Therefore, if any Member is involved in a bankruptcy proceeding, the Association shall have the option, exercisable by a vote of three-fourths (3/4) of the Board of Governors (the Member involved in the bankruptcy proceedings not being considered a Member of the Board of Governors for purposes of this Article), to cause such Member and its assets and properties to be placed under the management and control of the Commissioner. Upon exercise of such option, the Commissioner shall be deemed authorized to take the following actions: to appear on behalf of the Association in any court in which a bankruptcy proceeding is pending; to cause the Member’s Team to continue to play its Exhibition, Regular Season, and Playoff Games; to collect all revenues from every source payable to the Member and apply such revenues, to the extent available, to the payment of such Member’s operating expenses; and to take such further action as he shall deem advisable to accomplish the purpose of the option, all subject to the supervision and control of the court having jurisdiction over the bankruptcy proceeding. The management and control by the Commissioner shall continue until the first to occur of termination of the bankruptcy proceeding, transfer of such Member’s Membership in the Association in accordance with and subject to Article 5, termination of such Member’s Membership in the Association, or a determination by a majority of the Board of Governors (the Member involved in the bankruptcy proceeding not being considered a Member of the Board of Governors for purposes of this Article) that continuation of such management and control is no longer advisable. The existence or exercise of the option shall not impose upon the Association or any of its Members any requirement to provide funds to a Member involved in a bankruptcy proceeding or any liability for another Member’s debts or obligations.

18(a). The Members of the Association shall have the general supervision of the affairs of the Association, which general supervision shall be carried out through a Board of Governors. . . .
AUTHORITY AND DUTIES OF THE COMMISSIONER

24(a). A Commissioner shall be elected by the affirmative vote of three-fourths (3/4) of all the Governors. The Commissioner shall serve as the Chief Executive Officer of the League and shall be charged with protecting the integrity of the game of professional basketball and preserving public confidence in the League. The Commissioner’s term of office may be terminated by a vote of three-fourths (3/4) of the Governors at a meeting duly called for such purpose.

(b) The Commissioner shall have no financial interest, direct or indirect, in any professional sport.

(d) The Commissioner shall have full, complete and final jurisdiction of any dispute involving two (2) or more Members of the Association.

(h) The Commissioner shall interpret and from time to time establish policy and procedure in respect to the provisions of the Constitution, Bylaws and playing rules and any enforcement thereof and any decision emanating therefrom shall be final and unappealable.

(i) The Commissioner shall have the power to suspend for a definite or indefinite period and to impose such fines as are authorized. . . . he shall have the power to declare null and void any Player transaction made by and between Members of the Association or by and between Members of the Association and any organization outside of the Association.

(l) The Commissioner shall, wherever there is a rule for which no penalty is specifically fixed for violation thereof, have the authority to fix such penalty as in his judgment shall be in the best interest of the Association. Where a situation arises which is not covered in the Constitution and Bylaws, he shall have the authority to make such decision as in his judgment shall be in the best interest of the Association. No monetary penalty fixed under this provision shall exceed $250,000.

(m) Following an opportunity for the affected party to submit evidence and be heard, all actions duly taken by the Commissioner pursuant to this Article 24 or pursuant to any other Article or Section of the Constitution and By–Laws, which are not specifically referable to the Board of Governors, shall be final, binding and conclusive, as an award in arbitration, and enforceable in a court of competent jurisdiction in accordance with the laws of the State of New York. In connection with all actions, hearings, or investigations taken or conducted by the Commissioner pursuant to this Article 24, (i) strict rules of evidence shall not apply, and all relevant and material evidence submitted may be received and considered, and (ii) the Commissioner shall have the right to require testimony and the production of documents and other evidence from any Member, Owner, or Referee, any employee of any Member or
Owner, and/or any employee of the Association, and any person or Entity not complying with the requirements of the Commissioner shall be subject to such penalty as the Commissioner may assess.

**MISCONDUCT**

35. The provisions of this Article 35 shall govern all Players in the Association.

(a) Each Member shall provide and require in every contract with any of its Players that they shall be bound and governed by the provisions of this Article. Each Member, at the direction of the Board of Governors or the Commissioner, as the case may be, shall take such action as the Board or the Commissioner may direct in order to effectuate the purposes of this Article.

(b) The Commissioner shall direct the dismissal and perpetual disqualification from any further association with the Association or any of its Members, of any Player found by the Commissioner after a hearing to have been guilty of offering, agreeing, conspiring, aiding or attempting to cause any game of basketball to result otherwise than on its merit.

(c) If in the opinion of the Commissioner any act or conduct of a Player at or during an Exhibition, Regular Season, or Playoff Game has been prejudicial to or against the best interests of the Association or the game of basketball, the Commissioner shall impose upon such Player a fine not exceeding $50,000, or may order for a time the suspension of any such Player from any connection or duties with Exhibition, Regular Season, or Playoff Games, or he may order both such fine and suspension.

(d) The Commissioner shall have the power to suspend for a definite or indefinite period, or to impose a fine not exceeding $50,000, or inflict both such suspension and fine upon any Player who, in his opinion, (i) shall have made or caused to be made any statement having, or that was designed to have, an effect prejudicial or detrimental to the best interests of basketball or of the Association or of a Member, or (ii) shall have been guilty of conduct that does not conform to standards of morality or fair play, that does not comply at all times with all federal, state, and local laws, or that is prejudicial or detrimental to the Association.

(e) Any Player who, directly or indirectly, entices, induces, persuades or attempts to entice, induce, or persuade any Player, Coach, Trainer, General Manager or any other person who is under contract to any other Member of the Association to enter into negotiations for or relating to his services or negotiates or contracts for such services shall, on being charged with such tampering, be given an opportunity to answer such charges after due notice and the Commissioner shall have the power to decide whether or not the charges have been sustained; in the event his decision is that the charges have been sustained, then the Commissioner
shall have the power to suspend such Player for a definite or indefinite period, or to impose a fine not exceeding $50,000, or inflict both such suspension and fine upon any such Player.

(f) Any Player who, directly or indirectly, wagers money or anything of value on the outcome of any game played by a Team in the league operated by the Association shall, on being charged with such wagering, be given an opportunity to answer such charges after due notice, and the decision of the Commissioner shall be final, binding and conclusive and unappealable. The penalty for such offense shall be within the absolute and sole discretion of the Commissioner and may include a fine, suspension, expulsion and/or perpetual disqualification from further association with the Association or any of its Members.

(g) Except for a penalty imposed under Paragraph (f) of this Article 35: (i) any challenge by a Team to the decisions and acts of the Commissioner pursuant to Article 35 shall be appealable to the Board of Governors, who shall determine such appeals in accordance with such rules and regulations as may be adopted by the Board in its absolute and sole discretion, and (ii) any challenge by a Player to the decisions or acts of the Commissioner pursuant to Article 35 shall be governed by the provisions of Article XXXI of the NBA/NBPA Collective Bargaining Agreement then in effect.

NO THIRD PARTY BENEFICIARIES

43. The Constitution and By-Laws, rules, regulations, resolutions, and agreements of the Association, and any amendments or modifications thereof, are solely for the benefit of the Association and its Members and Owners, and shall not benefit or create any right or cause of action in or on behalf of any other person or Entity, and may not be relied upon or enforced by any other person or Entity.

NBA BY–LAWS

ARTICLE II

Eligibility of Players

2.01. Good Character. All Players shall be of good moral character and possess qualities which will make them proper members of their respective Teams. The Commissioner shall have the right to disqualify a Player if the Commissioner finds that the Player does not possess the requisite qualities of character and morality. Such disqualification may be made by the Commissioner only after a hearing before the Commissioner, at which hearing the Player shall be afforded the right to call witnesses, to submit written evidence and to be represented by counsel. The decision of the Commissioner shall be appealable to the Board of Governors. . . .
2.02. **Eligibility.** No person shall be eligible as a Player unless he complies with the eligibility rules set forth in this Constitution and By–Laws and/or the NBA/NBPA Collective Bargaining Agreement then in effect. * * *

Sec. B

**NATIONAL HOCKEY LEAGUE CONSTITUTION**

2.1 The purposes and objects for which the League is organized are:

(a) To perpetuate hockey as one of the national games of the United States and Canada.

(b) The promotion of the common interests of the members of the League, each member being an owner of a professional hockey club located in the United States or Canada.

(c) The promulgation of rules governing the conduct of play of hockey games between the Member Clubs in the League, the relationships between players and Member Clubs, between Member Clubs and the League and between the Member Clubs and other hockey clubs, to the end that the public may be assured of a high standard of skill and fair play, integrity and good sportsmanship.

(d) The arbitration and settlement of disputes between the Member Clubs and between Member Clubs and players.

(e) The education of the public, through advertising, radio and other media, to the end that professional hockey, as prayed according to the standards of the League, may gain popular support and acceptance as a wholesome entertainment.

(f) The development of youth in mind and body and the teaching of fair play and good sportsmanship through the media of hockey.

3.3 Admission of New Members. Each applicant for membership shall make a written application to the League. . . . A favorable vote of three-fourths of the members of the League shall be required for election to membership. The Board of Governors by majority vote shall determine from time to time the amount that shall be paid for a membership in the National Hockey League. . . .

3.5 Transfer of Membership or Ownership Interest in a Member Club. No membership or ownership interest in a Member Club may be sold, assigned or otherwise transferred except (a) with the consent of three-fourths of the members of the League, . . .

3.9 Involuntary Termination
(a) The membership of a member shall terminate automatically upon the occurrence of any of the following events:

(i) The making of an assignment for the benefit of its creditors, or the filing of a voluntary petition in bankruptcy, or if a receiver or trustee in bankruptcy is appointed for the properties and assets of the member, or if reorganization or arrangement proceedings in bankruptcy are instituted by the member.

(ii) Disbandment of its team during the League season.

(b) The membership of a member may be suspended or terminated, or other corrective action taken, by three-fourths of the members of the League, as defined in Section 3.10, upon any one of the following grounds:

(i) Violation of this Constitution or the By–Laws or Rules of the League unless shown to the satisfaction of the League to be inadvertent. * * *

(iii) Failure or refusal to fulfill its contractual obligations, in such a way as to affect adversely the League, including, but not by way of limitation upon the generality of the foregoing, the payment of player salaries when due.

(iv) The wagering or countenancing of wagering by its officers or employees on any hockey game and/or games. * * *

(viii) Failure to present its team at the time or place provided by the schedule to play any League game, playoff game or championship game, unless caused by strikes, unavoidable accident in travel or by some other cause for which such member is not responsible, including, but not limited to, acts of God.

(ix) Failure to comply with any proper order or instruction of the Board of Governors.

(x) Attempting to transfer its club and franchise in contravention of Section 4.2.

3.11 Effect of Termination. Upon any termination of membership under Section 3.9, the member affected shall thereupon at once surrender all its rights and privileges as a member of the League, and, at the option of the League exercised no later than ten days after the date of termination, deliver to the Commissioner of the League, for the League, the possession and control of the lease of its playing arena, if and to the extent the lease is assignable. At the option of the League exercised no later than ten days after the date of termination, the terminated member shall surrender possession and control of its club, including the contracts of all of its players then under League or minor league contract,
together with all of its other hockey personal properties for operation of
the Club and any minor league club. Upon exercise of the latter option,
the Commissioner of the League shall on behalf of the League appoint a
committee to operate such properties and club for so long as the Board of
Governors determines it advisable to do so, and for that period continue
the playing of games, collection of all income and receipts and pay
therefrom all expenses in connection therewith, and if such income and
receipts do not prove sufficient, pay the balance of such expenses out of
the funds of the League. The terminated club shall keep intact its assets,
including but not limited to any lease and player contracts, for the ten-
day period during which any option under this Section may be exercised,
so as not to defeat in whole or in part the option rights accorded the
League. Any option exercised by the League under this Section shall be
by a three-fourths vote of the members present and voting.

3.13 Agreement of Terminated Member Not To Oppose. Each
member of the League, whether now a member or hereafter becoming a
member, agrees with each and every other member of the League that it
will not resist or attempt to prevent by court proceedings of any kind or
caracter, or otherwise, its termination of membership in the League m
accoradance with the provisions of Sections 3.9, 3.10, 3.11 and 3.12.

4.1 Definitions. For the purposes of this Article:

(c) “Home territory” with respect to any member, means: Each
Member Club shall have exclusive territorial rights in the city in
which it is located and within 50 miles of that city’s corporate limits

4.2 Territorial Rights of League. The League shall have
exclusive control of the playing of hockey by Member Clubs in the home
territory of each member, subject to the rights hereinafter granted to
members. The members shall have the right to and agree to operate
professional hockey clubs and play the League schedule in their
respective cities or boroughs as indicated opposite their signatures hereto.
No member shall transfer its club and franchise to a different city or
borough. No additional cities or boroughs shall be added to the League
circuit without the consent of three-fourths of all members of the League.
Any admission of new members with the franchises to operate in
additional cities or boroughs shall be subject to the provisions of Section
4.3.

4.3 Territorial Rights of the Members. Each member shall have
exclusive control of the playing of hockey games within its home territory
including, but not being limited to, the playing in such home territory of
hockey games by any teams owned or controlled by such member or by
other members of the League. Subject only to the exclusive rights of other
members with respect to their respective home territories as herein above
set forth, nothing herein contained shall be construed to limit the right of
any Member Club to acquire any interest in any hockey team, whether professional or amateur, in any league which recognizes and honors the territorial rights, contracts, and reserve lists of the National Hockey League, except as limited by Section 8.1(a) of this Constitution. No other member of the League shall be permitted to play games (except regularly scheduled League games with the home club) in the home territory of a member without the latter member’s consent. No franchise shall be granted for a home territory within the home territory of a member, without the written consent of such member.

4.4 Property Rights of Home Club. Each member hereby irrevocably conveys, grants and assigns forever all the right, title and interest which it has or may have in and to each hockey game played by its team as a visiting club and in the news of said game . . . , to the member in whose home territory said game is played.

NATIONAL HOCKEY LEAGUE BY–LAWS

Section 2—Agreements With Players

2.8 A player who will not have attained his eighteenth birthday by midnight September 15th of the year of his signing may not be signed to any agreement by a Member Club, nor may his services in any way be negotiated for or contracted for, nor may his name be placed on a Reserve List, nor may he be permitted to attend any training camp. Any such negotiations or any agreement signed as a result thereof shall be null and void and confer no rights whatsoever.

2.9 No Member Club shall agree to pay or pay, directly or indirectly, to any contracting player’s agent, any agency or other fees for services rendered the player without advance specific written authorization from the player specifying the amount, time and mode of payment to be made to the agent on the player’s behalf, a copy of which authorization shall be maintained by the Member Club in its files. Nothing herein is intended to require any Member Club to make any such direct payment on the player’s behalf to his agent, even though specifically authorized by the player.

Section 4—League Player Lists

4.1 The Commissioner shall keep with respect to each Member Club the following player lists:

(a) Reserve List—players

Reserve List—goalkeeper

Reserve List—unsigned draft choices

(b) Voluntary Retired List
Section 5—Reserve Lists

5. A Member Club may have on its Reserve List, at any one time, not more than 90 players, which shall include the following:

(a) Not more than 50 players signed to a Standard Player’s Contract and not less than 24 players and 3 goalkeepers under contract. Age 18 and age 19 players who were returned to Canadian Major Junior Hockey clubs, and who have not played 11 games in the NHL in one season, shall be exempt from inclusion in the 50 player limit.

Section 12—Eligibility of Players

12.7 A player with only one eye, or one whose eyes has a vision of only three-sixtieths (3/60ths) or under, shall not be eligible to play for a Member Club.

Section 15—Tampering with Players and Certain Nonplaying Employees of Other Clubs

15.1 (a) Except as provided in Section 9A.5, no Member Club or any officer, shareholder, partner, employee, agent or representative thereof, shall—directly or indirectly—tamper, negotiate with, make an offer to or discuss employment with any player, or his agent or representative, with respect to whom another Member Club has either the professional rights or the right to negotiate for said professional right without prior written consent of that Member Club.

(b) Except as provided in subsection (iii) below, no Member Club or any officer, shareholder, partner, employee, agent or representative thereof, shall—directly or indirectly—tamper, negotiate with, make an offer to or discuss employment with any non-playing employee of another Member Club, or his agent or representative, who is employed in the capacity of General Manager, Coach, Supervisor of Scouting, Scout or any other employee, including “Assistants” to any of the above, whose primary function relates to scouting, drafting, procurement or coaching of playing personnel.

Section 17—Fines, Suspensions, and Expulsions

17.1 A player suspended or expelled by any organization or body, amateur or professional, shall at the request of that organization
and with the approval of the Commissioner, be deemed to be suspended by the League until such suspension has been lifted or such expulsion has been revoked by the body imposing the same, or until the Commissioner declares that such suspension or expulsion will not be observed by the League.

17.2 Any player or person connected with a Member Club who undertakes to contribute in any way, or does intentionally contribute in any way to the losing or attempting to lose a game of hockey by the team of that Member Club, or who solicits or attempts to induce any player or person connected with a Member Club to lose or contribute to losing any hockey game in which that player is or may be concerned, or upon being solicited to do so fails to inform the Commissioner immediately, shall, in the discretion and by the ruling of the Commissioner, be expelled.

17.3 (a) If, in the opinion of the Commissioner, based upon such information and reports as he may deem sufficient, any act of the conduct of any official of a Member Club or player or employee whether during or outside the playing season, has been dishonorable, prejudicial to or against the welfare of the League or the game of hockey, he may expel or suspend such person or impose on such a person and/or Member Club a fine not exceeding One Million ($1,000,000) Dollars in the case of an official of a Member Club, or Fifty Thousand ($50,000) Dollars in the case of a player or employee, or he may order and impose both a suspension and a fine.

NOTE: A player betting or being interested in any pool or wager on the outcome of any NHL Championship or Playoff game, whether or not the player has any connection with such game; or a physical attack or other violence upon a League Official . . . will be deemed to come under this Section. These instances are only given as examples and are not to be regarded as the only acts or conduct subjecting the offender to the above penalties. . . .

17.4 (a) Any official, player or employee of a Member Club who gives, makes, issues, authorizes or endorses any statement having or designed to have, in the opinion of the Commissioner, an effect prejudicial to the welfare of the League of the game of hockey or of a Member Club; or who makes any public statement that is critical of the League Officiating Staff shall be liable for a fine not exceeding $10,000 in the case of officers and employees of Member Clubs, and $1,000 in the case of players, to be imposed by the Commissioner. In addition in lieu of the above, in the case of officers and employees, the Commissioner in his discretion may also impose a fine upon the Member Club whose officer or employee violates this By–Law. Said fine shall not exceed $10,000. . . .

17.11 (a) In the case of a suspension or expulsion, or a fine in excess of $200 ordered by the Commissioner, there shall be a right of
appeal to the Board of Governors upon written request filed with the Commissioner within ten days from the date of the order of the suspension, expulsion or fine. . . . The Governors not directly affected by the order shall review the evidence by which the Commissioner arrived at his decision to determine whether in their opinion the Commissioner reasonably exercised the powers vested in him by the Constitution and By-Laws, and shall confirm, amend or quash the order made, and confirm or mitigate the penalty imposed. The decision of the Governors shall be final and conclusive. However, when such suspension, expulsion or fine is ordered for betting on a championship or playoff game no such right of appeal or review will be available.

Section 18—Undesirable Employees

18. If, in the opinion of the Commissioner, the employment of any person by a Member Club would be prejudicial to or against the welfare of the League he may prohibit the employment or continuation of employment of such person by any Member Club in any capacity whatsoever.

Section 20—Waiver Draft

Section 34—Sale of Ownership Shares to the Public

Section 36—Transfer of Franchise Application

36.1 Application

(a) Any Member Club seeking consent to a transfer of its franchise and club to a different city or borough in accordance with section 4.2 of the Constitution, shall file a written application for such consent with the Commissioner of the League.

36.4 Vote

(a) Following such presentation(s) to the Board, there shall be a vote of the members as to whether to consent to the proposed transfer of location, . . . and if applicable, as to whether to consent to any proposed sale, assignment, or transfer of a membership or ownership interest in a Member Club. . . .

(c) A proposed transfer of location receiving the affirmative votes of a majority of the Member Clubs present and voting shall be deemed to have been consented to by the League in the event that the prohibition on transfers recited in Section 4.2 of the Constitution is determined by counsel to the League specially retained for this purpose, based on all relevant factors, to be unlawful with respect to that proposed transfer.
36.5 In determining whether to consent to the transfer of a Member Club’s franchise to a different city or borough pursuant to Section 4.2 of the Constitution, each Member Club shall be guided by the following considerations:

(a) Whether the club in question is financially viable in its present location and, if not, whether there is a reasonable prospect . . . that it could become financially viable there, either under its present ownership or under new ownership.

(b) The extent to which the fans have historically supported the franchise in its current location.

(c) The extent to which the club has historically operated profitably or at a loss at its present location.

(d) Whether the present owner of the club has made a good faith effort to find prospective purchasers who are prepared to continue operating the club in its present location and/or has engaged in good faith negotiations with such prospective purchasers.

(e) Whether there is any prospective purchaser of the club and franchise who is prepared to continue operating the club in its present location and, if so, whether any such prospective purchaser is willing and able, if necessary, to sustain losses during at least the initial years of its operation there.

(f) The extent to which the club might be operated in its present location in a more prudent, efficient and/or cost-effective manner than it has been in the past.

(g) The extent to which there is a reasonable prospect that significant additional revenues may become available to the club within a reasonable time in its present location, either from the sale of media rights or from other sources.

(h) The extent to which the local government authorities in the present location are prepared to reduce the operating costs of the club, either by granting tax relief or otherwise.

(i) The extent to which the operating costs of the club in its present location might be reduced through the willingness of the applicable arena authority to reduce the rent charged to the club or otherwise reduce the club’s costs or increase its revenues, and/or through the willingness of other suppliers to reduce their charges for goods or services provided to the club.

(j) The adequacy of the arena in which the club plays its home games and the willingness of the applicable arena authority to remedy any deficiencies in the arena.
(k) Whether there will be a suitable arena available in which the club can play its home games in the proposed new location.

(l) The extent to which it appears likely, based on the population, demographics and interest in hockey in the area of the proposed new location, or based on any other relevant facts, that support for a franchise there will be sufficient to make the franchise financially viable in the proposed new location on a continuing basis.

(m) The extent to which the owners of the club are willing and able, if necessary, to sustain losses during at least the initial years of its operation in the proposed new location.

(n) The extent to which consent to proposed transfer is likely to damage the image of the League as a major sports league, be a disincentive to participation in the League, or otherwise to have an adverse effect on the League’s ability to market and promote League hockey in the United States and/or Canada.

(o) The extent to which the proposed transfer would adversely affect traditional rivalries that have been established between the club in its present location and other Member Clubs.

(p) The extent to which consent to the proposed transfer would result in the absence of a League franchise in a major market.

(q) The extent to which it appears likely that, if the proposed transfer is approved, the club would draw more or fewer fans when playing as the visiting team in the home arenas of other Member Clubs.

(r) The extent to which the proposed transfer would present particular disadvantages for the operation of the League, such as travel or scheduling difficulties or a need for a divisional realignment.

(s) The extent to which the club has, directly or indirectly, received public financial support in its present location by virtue of any publicly financed arena, special tax treatment, or any other form of public financial support.

(t) The extent to which the proposed transfer, if approved, would affect any contract or agreement in effect between the club and any public or private party.

(u) The extent to which League consent to the proposed transfer might expose the League to liability to any third party for breach of contract, interference with contractual relations, or for any other cause.

(v) The extent to which the ownership or management of the club has contributed to any circumstance which might otherwise demonstrate a need to transfer the club to a new location.
(w) The extent to which the club has engaged in good faith negotiations with representatives from the community in which it is presently located concerning terms and conditions under which the club would continue to operate in that location.

(x) Any other considerations relevant to whether it would be in the best interest of the League to consent to the proposed transfer.

Section 37—Admission of New Members

37. . . . In determining whether to grant a franchise pursuant to Section 3.3 of the Constitution, each member of the League shall cast its vote based upon its own conclusion as to whether admission of the applicant would be in the best interest of the League. In addition to any admission fee determined by the League, the League may impose an indemnification fee (or fees) in like manner as provided for transfer in By–Law Section 36.6.