



**WNBPA
REGULATIONS
GOVERNING PLAYER AGENTS**

Drafted January 1, 2000

FOREWORD

This booklet is designed to provide you with pertinent information concerning the player agent regulation system developed by the Women's National Basketball Players Association. The impetus for this system was the increasing recognition among WNBA players of the need: (1) to insure that agents representing players (including rookies) in individual contract negotiations with the WNBA and/or WNBA teams provide services of a high quality at fee levels that are fair and equitable; and (2) to establish a program for assisting players in selecting individual agents. The culmination of this effort is the promulgation of the following documents: the WNBPA Regulations Governing Player Agents, Application for Certification as a WNBPA Player Agent, Women's National Basketball Players Association Certification for Player Agents, and Standard Player Agent Contract.

Persons who wish to represent WNBA players in individual contract negotiations must comply with the Regulations and become certified as a WNBPA Player Agent before they can participate in such negotiations. Individuals wishing to become certified should review the entire contents of this booklet and then promptly file a complete Application with the WNBPA office at 1700 Broadway, Suite 1400, NY, NY 10019.

We would like to take this opportunity to thank you in advance for your wholehearted cooperation in this important undertaking. We are confident that you share the Association's commitment to achieving the salutary objectives of this program.

The Committee
Women's National Basketball Players Association

WNBPA Regulations Governing Player Agents

INTRODUCTION

The Officers and Player Representatives of the Women's National Basketball Players Association ("WNBPA" or "Players Association") hereby adopt the following Regulations Governing Player Agents who provide representation services to players (including rookies) by conducting individual contract negotiations and/or assisting in or advising with respect to such negotiations with the WNBA and/or teams of the Women's National Basketball Association ("WNBA"). These Regulations are adopted pursuant to the authority and duty conferred upon the WNBPA as the exclusive bargaining representative of WNBA players pursuant to Section 9 (a) of the National Labor Relations Act, which provides in pertinent part:

Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such units for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment.

In Article II ("Recognition Clause") of the April, 1999 Collective Bargaining Agreement ("CBA") between the WNBA and the Players Association the parties to that Agreement have agreed as follows:

The WNBA recognizes the Players Association as the exclusive collective bargaining representative of persons who are employed by the WNBA as professional basketball players (and/or who become so employed at any time during the term of this Agreement or any extension thereof); and the Players Association warrants that it is duly empowered to enter into this Agreement for and on behalf of such persons. The WNBA and the Players Association agree that, notwithstanding the foregoing, such persons and the WNBA (and/or, in the case of Team Promotional and Marketing Agreements, a Team) may, on an individual basis, bargain with respect to and agree upon the provisions of Player Contracts and Promotional and Marketing Agreements, but only as and to the extent permitted by this Agreement.

The authority for a player agent to act on behalf of his/her individual client(s) is derived solely and exclusively from the authority delegated to the player agent by the WNBPA as the exclusive collective bargaining agent of all WNBA players. As such, the WNBPA has a fiduciary obligation to represent the interests of all WNBA players, and therefore the objectives and strategies of the WNBPA must always be considered of paramount importance by a player agent, even in circumstances where such objectives and strategies are in conflict (either actual or apparent) with the interests of the player agent's individual client(s). Notwithstanding the foregoing, if the circumstances of the conflict could lead to irreparable harm to the player the player agent should attempt to resolve the conflict to minimize harm to all parties.

The Players Association shall submit to the WNBA League Office a list of certified agents; that list shall be updated by the Players Association on a continuing basis. The WNBA, in carrying out its reviewing authority with respect to individual Player Contracts, agrees to implement the following procedure:

The WNBA and/or its teams shall not enter into any Standard Player Contract with a player unless such player (i) is represented in the negotiations with respect to such Standard Player Contract by an agent or representative authorized to represent her and duly certified by the Players Association in accordance with the Players Association's Agent Regulation Program; or (ii) acts on her own behalf in negotiating such Standard Player Contract.

If, notwithstanding the foregoing, negotiations involving the WNBA and/or WNBA teams and a non-certified player agent take place and a contract is executed, that contract shall be deemed voidable, at the sole discretion of the Committee (or its designee(s)); however, the Committee (or its designee(s)) may also elect to allow the contract but not allow the agent to collect a fee.

SECTION 1: SCOPE OF REGULATION

A. No person (other than a player representing herself) shall be permitted to conduct individual contract negotiations on behalf of a player (including a rookie)* and/or assist in or advise with respect to such negotiations with the WNBA and/or WNBA teams after the effective date of these Regulations unless he/she is (1) currently certified as a player agent pursuant to these Regulations, and (2) signs the Standard Player Agent Contract with the player (See Section 4).

B. The activities or conduct of player agents that are governed by these Regulations include, but are not limited to:

The providing of advice, counsel, information or assistance to players** (including rookies) with respect to negotiating their individual contracts with the WNBA and/or WNBA teams and/or thereafter in enforcing those contracts; the conduct of compensation negotiations with the WNBA on behalf of individual players; and any other activity or conduct which directly bears upon the player agent's integrity, competence or ability to properly represent individual WNBA players and the WNBPA in individual contract negotiations, the handling of player funds, providing tax counseling and preparation services and providing financial investment or financial management advice to individual players.

Notwithstanding, the obligation and duties of a player agent to his/her individual client(s), the player agent owes a duty to the collective player body, as embodied by the WNBPA, which, except in situations where the player could be irreparably harmed, supercedes the agents' duty to his/her individual client(s).

C. All provisions of these Regulations, including this one, may be amended by the Officers and Player Representatives of the WNBPA periodically as they deem appropriate.

SECTION 2: REQUIREMENTS FOR CERTIFICATION

Effective January 1, 2000, any person who wishes to perform the functions of a player agent described in Section 1(A) above must be certified by the WNBPA, pursuant to the following procedure:

A. Applying For Certification

The person must file a verified Application for Certification. The application (accompanied by any and all applicable application fees) is to be submitted by prepaid certified or overnight mail to the WNBPA Committee on Agent Regulation - "the Committee"- designated to receive and act upon such applications. The Committee shall consist of the WNBPA's Officers and Executive Director (or such person(s) as the Committee designates to act in its stead), assisted by legal counsel. The Committee will not entertain any application filed in the name of any corporation, company, partnership or other business entity; only individual persons are eligible for certification. There is no limit on the number of individuals in any one corporation or other business entity who are eligible for certification.

To be eligible for certification, the applicant must have received a degree from an accredited four-year college/university. However, the Committee (or its designee(s)) shall have the authority to determine whether relevant negotiating or other business experience can substitute for any year(s) of education.

Within thirty (30) days of filing of an Application for Certification, the Committee (or its designee(s)) shall determine whether certification shall be granted to the applicant; provided, however, that this period may be extended for up to an additional ninety (90) days upon written notification to the applicant before the expiration of the initial thirty (30) day period. Upon receipt of an agent's Application for Certification, the Committee (or its designee(s)) may, in the context of reviewing the application, request further written materials from the applicant and/or conduct whatever further investigation it deems appropriate, including an informal conference with the applicant.

* Throughout these Regulations the term 'rookie' shall mean any player who has not played in the WNBA in any season prior to entering into her first contract with the WNBA and/or a WNBA club.

**For purposes of these Regulations the term "player" shall mean anyone eligible to play in the Women's National Basketball Association, including a player about to enter her rookie season in the WNBA.

Information from the Agent's Application for Certification may be provided by the WNBPA to any player demonstrating to the WNBPA's satisfaction an interest in retaining such agent.

All certified agents shall be subject to a review of their certification every three (3) years or on an ad hoc basis as determined by the Committee (or its designee(s)). The Committee (or its designee(s)) shall have absolute discretion as to the fitness of the player agent to continue serving in his/her capacity as a certified agent upon conclusion of the review. If following a review of a player agent's certification, it is determined that the player agent is unfit to continue serving in his/her capacity as a certified agent, the player agent shall have the right to appeal the decision of the Committee (or its designee(s)) to the Arbitrator.

B. Interim Certification

During the period that an Application for Certification is pending, the Committee (or its designee(s)) may authorize any agent who has filed an application to provide representational services to one or more players engaged in individual contract negotiations with the WNBA and/or WNBA teams if the Committee (or its designee(s)) deems such authorization to be in the player's best interest. However, such interim action shall be specifically limited to the terms contained in the Committee's authorization and, in any event, shall not constitute a waiver of the Committee's right thereafter to deny certification under these Regulations.

C. Grounds for Denial of Certification

Given the important function that player agents perform for the individual players they represent, it is the WNBPA's intention in promulgating these Regulations to insure that only those persons who can reasonably be expected to faithfully carry out those responsibilities will be entitled to certification. Grounds for denial of certification shall include, but not be limited to the following:

- (1) A determination that the applicant has made false or misleading statements in the application;
- (2) A determination that the applicant has misappropriated funds, or engaged in other specific acts such as embezzlement, conversion, theft or fraud, which would render him/her unfit to serve in a fiduciary capacity on behalf of players;
- (3) A determination that the applicant has engaged in any other conduct that impacts adversely on his/her credibility, integrity or competence to serve in a fiduciary capacity on behalf of players;
- (4) A determination that the applicant is unwilling to swear or affirm that he/she will comply with these Regulations and any amendments thereto and that he/she will abide by the fee structure contained in the standard form player-agent contract incorporated into these Regulations.
- (5) A determination that the applicant has been denied certification, or had his/her certification revoked, by another professional sports players association.

D. Appeal From Denial of Certification

In the event an application for certification is denied pursuant to this section, the applicant shall be notified in writing (by prepaid certified or overnight mail) of the reasons for the denial. The applicant may appeal such action to the Arbitrator appointed pursuant to Section 5 of the Regulations, provided that such appeal must be initiated by filing by prepaid certified or overnight mail a written notice of appeal upon the Committee and the Arbitrator within thirty (30) days of receipt of the notice denying his/her application for certification. The appeal shall be processed and resolved in accordance with the arbitration procedures set forth in Section 5, paragraphs D through F of these Regulations. The appeal to arbitration shall constitute the exclusive method of challenging any denial of certification.

E. Suspension or Revocation of Certification and/or Imposition of Fines

At any time subsequent to granting a certification to a player agent the Committee (or its designee(s)) can, based upon information brought to its attention or acting on its own initiative, propose suspending or revoking such certification (or, alternatively, imposing a fine upon a player agent for a lesser violation) on any ground that would have provided a basis for denying certification in the first place (see Section 2, C) and/or for conduct prohibited in Section 3, B (1)-(22) of these Regulations.* Any such proposed suspension, revocation or fine must be sent by prepaid certified or

*In the extraordinary circumstance where the Committee's investigation discloses that the agent's conduct is of such a serious nature as to justify immediately invalidating his/her certification, the Committee (or its designee(s)) is authorized to take such action. In such event, the agent may appeal that action in the same manner as he/she could appeal from a proposed suspension or termination set forth in Section 6.

overnight mail to the player agent's office or residence. The agent may appeal any such proposed suspension or revocation by complying with the procedure for invoking arbitration as set forth in Section 6 at paragraphs B through H, however, if a fine is imposed as an alternative to suspension or revocation of certification, there shall be no right of appeal. The appeal to arbitration shall constitute the exclusive method of challenging any proposed suspension or revocation of certification.

F. Form of Certification

Upon approving an Application for Certification as a player agent, the Committee (or their designee(s)) shall provide the applicant with a written certification.

The player agent will thereupon be authorized, subject to these Regulations, to serve as a player agent in conducting individual player negotiations with the WNBA and/or WNBA teams and/or assisting in or advising with respect to such negotiations.

In granting Certification the Committee shall not be deemed to have endorsed any particular agent; and, in no event, shall the grant of certification be deemed to impose liability upon the WNBPA or its Committee on Agent Regulation (or their designee(s)), its player representatives or its membership for any acts or omissions of the player agent in providing representation to any player.

SECTION 3: STANDARD OF CONDUCT FOR PLAYER AGENTS IN PROVIDING SERVICES GOVERNED BY THESE REGULATIONS

As described above, the objective of the WNBPA in issuing these Regulations is to enable players to make informed selection of agents and to insure that the player agents shall provide to the individual players whom they represent in contract negotiations with the WNBA and/or WNBA teams effective representation at fair and reasonable rates that are uniformly applicable.

A. General Requirements

Consistent with this objective, a player agent shall be required to:

- (1) Disclose on his/her application (and, subsequent to the application process, when any material change has occurred), as well as upon request of the Committee (or its designee(s)), any and all information relevant to his or her qualifications to serve as a player agent, including, but not limited to, background, special training, other employment, experience in negotiations, past representation of professional athletes, and relevant business associations or memberships in professional organizations;
- (2) Pay the annual agent fees no later than the first of January every year for the upcoming season.
- (3) Attend the inaugural WNBPA seminar, and then additional WNBPA seminars as required by the Committee, except when the Committee (or its designee(s)) determines not to require the attendance of its experienced agents at any seminar. Any request for an exemption from attending an agent seminar must be made in writing and approved in writing by the Committee (or its designee(s)).
- (4) Comply with the maximum fee schedule and all other provisions of these Regulations and any amendments thereto;
- (5) Pass a competency exam, if such exam shall be instituted;
- (6) Advise the player and report to the WNBPA any known violations by the WNBA or a WNBA club of a player's individual contract or of her rights under any applicable CBA;
- (7) Provide the WNBPA with a copy of any player compensation agreement you negotiated on her behalf with the WNBA or any WNBA team within 24 hours after the contract is executed;
- (8) Memorialize in writing the terms of any loan or advance made to, or line of credit secured by a player agent on behalf of a player and provide the player and the WNBPA with a copy within 48 hours after the loan/advance has been made;
- (9) Provide the WNBPA with a copy of any Power of Attorney agreement between the player agent and the player.
- (10) Provide on or before March 1 of each year, to each player whom he/she represents, with a copy to the Association, an itemized statement covering the period January 1 through December 31 of the immediately prior year which separately sets forth both the fee charged to the player for, and any expenses incurred in connection with the performance of, the following services; (a) individual player salary negotiations, and/or grievance arbitration, (b) the management of the player's assets, (c) the provision to the player of financial, investment, legal, tax and/or other advice, and (d) any other miscellaneous services;
- (11) Permit a person or firm authorized by a former or current player-client, or the WNBPA, with

- the consent of the player, to conduct an audit, upon request, of all relevant books and records relating to any services provided to that player;
- (12) Notify the WNBPA promptly of any significant changes in your status relevant to your continuing to be certified as a player agent. Specifically, player agents are required to notify the WNBPA, in writing of:
 - (a) Any change involving your employment or business structure that has taken place since the filing of your application for certification;
 - (b) Any change in the player(s) you represent that has taken place since the filing of your application for certification;
 - (c) Any disciplinary or legal proceeding (other than family law matters) that has been initiated against you, or filed by you, or any formal charge or complaint filed against you, or filed by you in your professional capacity since the filing of your application for certification.
 - (13) Provide the Association (with a copy to each player that he/she currently represents) the information set forth in the revised Application for Certification.
 - (14) Provide the Association with any and all information, documents or materials that the Association deems relevant with respect to any investigation conducted pursuant to these Regulations and in all other respects cooperate fully with the Association.
 - (15) Fully comply with all applicable local, state, provincial and federal laws and regulations.

B. Prohibited Conduct Subject to Discipline

To further effectuate the objectives of these Regulations player agents are prohibited from:

- (1) Representing any player in individual contract negotiations with the WNBA and/or any WNBA club unless the agent (i) has a current certification (ii) has a fully executed Standard Player Agent Contract with each such player, and (iii) has submitted the original, fully executed Standard Player Agent Contract to the WNBPA;
- (2) Providing or offering (or causing to be provided or offered) a monetary inducement (other than a fee less than the maximum fee contained in the standard fee agreement established by these Regulations) to any player (including a rookie) or college athlete to induce or encourage that person to utilize his/her services;
- (3) Providing or offering (or causing to be provided or offered) money or any other thing of value to a member of a player's family or any other person for the purpose of inducing or encouraging the player to utilize his/her services or for the purpose of inducing or encouraging that person to recommend that a player (including a rookie) or college athlete utilize the services of the agent;
- (4) Providing (or causing to be provided) materially false or misleading information to any player (including a rookie) or college athlete in the context of seeking to be selected as a player agent for that individual or in the course of representing that player as her agent;
- (5) Holding or seeking to hold, either directly or indirectly, a financial interest in any professional basketball league or team or in any other business venture that would create an actual conflict of interest or the appearance of a conflict of interest between any individual player and the agent, or the WNBPA and the agent;
- (6) Representing or providing services to, either directly or indirectly: (i) the General Manager, coach or any other official, employee or independent contractor of the WNBA, NBA, or any WNBA or NBA team (or prospective General Manager coach, official, employee, or independent contractor) in matters pertaining to his/her employment or any other matters in which he/she has any financial stake in or association with the WNBA, NBA and/or WNBA and NBA teams or (ii) any individual who subjects an agent to interests, duties, obligations or responsibilities that could adversely affect an agent's judgment, counsel, advice or loyalty to a player;
- (7) Engaging in any other activity which creates an actual or potential conflict of interest with the effective representation of WNBA players; provided that the representation of two or more players on any one club shall not by itself be deemed to be prohibited by this provision;
- (8) Soliciting or accepting money or anything of value from the WNBA, NBA, any WNBA club, and/or any NBA club in circumstances where to do so would create a conflict or an apparent conflict with the interests of any player he/she represents;
- (9) Negotiating and/or agreeing to any provision in a player contract which deprives that player of any benefit contained in any collectively bargained agreement between the WNBA and the WNBPA;
- (10) Negotiating and/or agreeing to any provision in a player contract which directly or indirectly violates any stated policies, rules or requirements established by the WNBPA;
- (11) Concealing material facts from any player whom the agent is representing which relate to the subject of the individual player's contract negotiation;
- (12) Failing to advise the player and to report to the WNBPA any known violations by the WNBA and/or any WNBA club of a player's individual contract;
- (13) Engaging in unlawful conduct and/or conduct involving dishonesty, fraud, deceit,

- misrepresentation, or other conduct which reflects adversely on his or her fitness as a player agent or jeopardizes his/ her or the WNBPA's effective representation of WNBA players;
- (14) Breaching the provisions of the Standard Player Agent Contract that the agent is required to enter into pursuant to these Regulations;
 - (15) Circumventing the fee limits of the standard form maximum fee agreement by knowingly increasing the fees that the player agent had charged or otherwise would have charged the player for other services, including but not limited to, financial consultation, advice concerning money management, and/or negotiating endorsement agreements on behalf of players;
 - (16) Violating the provisions of the Standard Player Agent Contract whereby the agent agrees to resolve all disputes involving the meaning, interpretation, application or enforcement of that agreement exclusively through arbitration and not to initiate any lawsuit for breach of contract against the player;
 - (17) Violating the confidentiality provisions of the WNBA/WNBPA Anti-Drug Program.
 - (18) Failing to disclose in writing to any player represented by the player agent any fee paid or received by the player agent to or from a third party in return for providing services to that player;
 - (19) Violating any NCAA rules;
 - (20) Violating any applicable state regulations governing player agents;
 - (21) Assigning a player's Standard Player Agent Contract to a third party without the consent of the player and the WNBPA; and,
 - (22) Violating any of the requirements of Section 3 (A)(1-15) or Section 4(A) or any other provisions of these Regulations.

A player agent who engages in any prohibited conduct defined above shall be subject to discipline (including, but not limited to, fines) in accordance with the procedures of Sections 2 and 6 of these Regulations.

C. Further Obligations

In addition to refraining from the foregoing prohibited conduct, the WNBPA further requires that every agent will carry out the representational services covered by these Regulations with the highest degree of professional competence and integrity. In this connection, the WNBPA likewise expects that to achieve and maintain high quality performance, every player agent, at a minimum, will take the necessary steps to become knowledgeable about the WNBPA's structure, the economics of the industry, applicable collective bargaining agreements, basic negotiating techniques, and all areas of the law relevant to his/her professional duties. If, after these Regulations become effective, the Committee (or its designee(s)) determines that there is a need to impose additional requirements with respect to the quality of agent performance, the Committee reserves the right to amend these Regulations accordingly.

SECTION 4: AGREEMENTS BETWEEN PLAYER AGENTS AND PLAYERS; MAXIMUM FEES

A. Standard Form

To qualify to perform the services of a player agent under these Regulations, a person must satisfy three prerequisites; (1) he/she must be certified; (2) he/she must have a fully executed WNBPA Standard Player Agent Contract with the player; and (3) he/she must have submitted a fully executed, original Standard Player Agent Contract to the WNBPA along with any other contract(s) for additional services that the agent has executed with the player. Retyped contracts will not be accepted.

An original executed agreement shall be sent by prepaid certified or overnight mail by the player agent to the Committee within three (3) days of Execution.

Once the agent satisfies the three prerequisites stated above, he/she shall be authorized to function as a player agent under these Regulations.

Any agreement between a player agent and a player entered into after the effective date of these Regulations which is not in writing or which does not meet the requirements of these Regulations shall be of no force and effect, and no player agent shall have the right to assert any claim against the player for compensation on the basis of such purported contract.

Any agreement entered into after the effective date of these Regulations shall include a provision whereby either party may terminate that agreement at any time upon providing written notice to the

other party. Notice must be sent by overnight mail and is effective at the close of business on the following day. A copy of the written termination must be sent to the WNBPA within 48 hours of execution.

B. Players Agent's Compensation

The maximum fees that the player agent may charge or collect shall be as follows:

- (1) If the player agent negotiates a Standard Player Contract ("SPC") whereby the player receives compensation under the WNBA-WNBPA Collective Bargaining Agreement, the agent shall receive a maximum fee of five percent (5%) of the compensation actually received by the player for each such season, unless the player and her agent have agreed to a lesser percentage;*
- (2) If the player agent negotiates a WNBA league or team marketing agreement the agent shall receive a maximum fee of five percent (5%) of the compensation negotiated for the player for each such contract, unless the player and her agent have agreed to a lesser percentage.*

In computing the maximum allowable fee for negotiating the SPC, the term "compensation" shall include base salary, signing bonus and any performance bonus actually received by the player. No other benefits negotiated on behalf of the individual player shall be taken into consideration - including, but not limited to, the value of a personal loan, an insurance policy, an automobile, or a residence, etc.** Any portion of a fee based on player compensation that is unascertainable at the time the player contract is negotiated (e.g., a performance bonus) shall not be collected by the agent until the player has received such compensation.

The player agent is prohibited from receiving any fee for his/her services unless and until the player actually receives the compensation upon which the fee is based. Consistent with this objective, a player agent is prohibited from including any provision in a fee agreement with a player whereby the player becomes obligated to make any fee payment to the agent in advance of the player's receipt of the compensation upon which the fee is based. However, in promulgating these Regulations the WNBPA recognizes that in certain circumstances a player may decide that it is in her best interest to pay her agent's fee in advance of the receipt of any compensation - whether it be her salary for the current playing season or deferred compensation.*** Accordingly, it is the intent of these Regulations that an option be accorded to the player to make advance fee payments to her agent if the player chooses to do so. In any such situation the agent is authorized to accept the advance payment. Further, any such agreement between an agent and a player must be in writing with a copy sent to the WNBPA. If a player has made advance fee payments to her agent and is subsequently waived or for any other reason does not receive salary upon which the advanced fee payment was made, the agent must return all advanced fees within thirty (30) days.

*For example, if the individual player contract provides for \$50,000 in compensation under the SPC and \$20,000 in compensation under a WNBA Marketing Agreement, the maximum fee to which the agent is entitled shall be \$2,500 for negotiating the SPC and \$1,000 for negotiating the WNBA Marketing Agreement.

**The amount of the agent's fee shall not be affected by the fact that the player receives a guaranteed contract from the WNBA and/or a WNBA club.

***With respect to deferred compensation, the agent shall only be entitled to a fee based on the present value of that compensation.

C. Effective Date and Existing Agreements

Effective January 1, 2000, any player agent who thereafter wishes to provide representational services to any player in connection with that player's contract negotiations with the WNBA and/or any WNBA team must comply with these Regulations.

Any dispute covering the proper application of these Regulations to any existing agreement between a player and her agent shall be subject to the arbitration procedure set forth in Section 5 herein, which shall constitute the exclusive method for the resolution thereof.

Any provision for fees in any agreement between an agent and a player in effect as of January 1, 2000, or entered into anytime thereafter which relates to any service other than negotiating player contracts, WNBA and/or WNBA Team Marketing Agreements, or any other agreements between the player and the WNBA and/or WNBA Team for the performance of the player's services, or assisting in or advising with respect to such negotiations (e.g., financial consulting or money management services), shall be considered severable from the fee provisions of this section.

SECTION 5: ARBITRATION PROCEDURES

INTRODUCTION

In establishing this system for regulating agents it is the intention of the WNBPA that the arbitration process shall be the sole and exclusive method for resolving any and all disputes that may arise from (1) denying certification to an agent; or (2) the interpretation, application or enforcement of these Regulations and the resulting fee agreements between player agents and individual players. This will insure that those disputes - which involve essentially internal matters concerning the relationship between individual players, the WNBPA in its capacity as their exclusive bargaining representative, and player agents performing certain delegated representative functions relating particularly to individual player compensation negotiations - will be handled and resolved expeditiously by the decisionmaker established herein, without need to resort to costly and time-consuming formal adjudication.

The provisions of this section shall apply with respect to the following types of disputes that may arise under these Regulations:

- (1) The Committee on Agent Regulation (or its designee(s)) denies an Application for Certification and the applicant wishes to appeal from that action;
- (2) Any dispute that arises with respect to the meaning, interpretation, or enforcement of a fee agreement (described in Section 4) entered into between a player and her agent; and,
- (3) Any other disputes and/or activities involving a player and/or a player agent within the scope of these regulations.

With respect to any dispute that may arise pursuant to paragraph (1) above, the procedure for filing an appeal and invoking arbitration is set forth in these Regulations at Section 2(D). Once arbitration has been invoked, the procedure set forth in subparagraphs D-F, below, shall apply.

With respect to any dispute that may arise pursuant to paragraphs (2) and/or (3) above, the following procedures shall apply:

A. Filing

The arbitration of a dispute under subparagraphs (2) and/or (3) above shall be initiated by the filing of a written grievance either by the player or her agent.

Any such grievance must be filed within ninety (90) days from the date of the occurrence of the event upon which the grievance is based or within ninety (90) days from the date on which the facts of the matter become known or reasonably should have become known to the grievant. A player need not be under contract to the WNBA or a WNBA club at the time a grievance relating to her hereunder arises or at the time such grievance is initiated or processed.

A player may initiate a grievance against a player agent if she (i) sends the written grievance by prepaid certified or overnight mail to the player agent's business address or by personal delivery at such address, and (ii) sends a copy to the WNBPA. A player agent may initiate a grievance against a player if he/she (i) sends a written grievance by prepaid certified or overnight mail to the player or by personal delivery of the grievance to the player; and (ii) sends a copy thereof to the WNBPA. The written grievance shall set forth in plain and understandable terms the facts and circumstances giving rise to the grievance, the provision(s) of the agreement between the player and her agent alleged to have been violated, and the relief sought.

B. Answer

The party against whom a grievance has been filed ("the respondent") shall answer the grievance in writing by certified or overnight mail or personal delivery to the grievant within thirty (30) calendar days of receipt of the grievance. The Answer shall admit or deny the facts alleged in the grievance and shall also briefly set forth the reasons why the respondent believes the grievance should be denied. The respondent must also provide a copy of his/her Answer to the WNBPA at the same time. Once the Answer is filed, the WNBPA shall promptly provide the Arbitrator with copies of the grievance and Answer and all other relevant documents. If an Answer is not filed within this time limit, the Arbitrator, in his/her discretion, may issue an order where appropriate, granting the grievance and the requested relief upon satisfactory proof of the claim.

C. Arbitrator

The WNBPA has selected a skilled, experienced and impartial person to serve as the Arbitrator for all cases arising hereunder.

D. Hearing

The Arbitrator shall schedule a hearing on the dispute in New York City, except that the Arbitrator may select an alternative site after consulting with the parties and the WNBPA. At such hearing, the parties - i.e., the player and the player agent* - may appear in person or by counsel or other representative. The parties to the dispute and the WNBPA, as well, will have the right to present, by testimony or otherwise, any evidence relevant to the grievance. If a witness is unavailable to appear at the hearing, the witness' testimony may be taken by telephone conference call if the parties and the Arbitrator agree and/or if the Arbitrator so orders. Within thirty (30) days after the close of the hearing, the Arbitrator shall issue a written award. That award shall constitute full, final and complete resolution of the grievance, and will be binding upon the player and the player agent involved. Given the uniquely internal nature of any such dispute that may be presented to the Arbitrator, it is the WNBPA's intention that an award issued by the Arbitrator not be subject to judicial review on any grounds.

*In an appeal from a denial of certification the parties will be the player agent and the Committee on Agent Regulation.

E. Costs

Each party will bear the costs of its own witnesses and counsel. Costs of arbitration, including the fees and expenses of the Arbitrator, will be borne equally between the parties to the grievance; provided, however, that the Arbitrator may assess some or all of a party's costs to an opposing party if he/she deems a party's conduct to be frivolous. If the Arbitrator grants a monetary award, it shall be paid within ten (10) days.

F. Time Limits

The time limits of this Section may be extended by written agreement of the parties.

SECTION 6: OVERSIGHT AND COMPLIANCE PROCEDURE

A. Disciplinary Committee

In addition to performing the function of reviewing and acting upon all Applications for Certification, the Committee on Agent Regulation also shall serve as the Disciplinary Committee, or shall designate certain of its members to serve as the Disciplinary Committee. In the latter capacity, it shall have the authority and responsibility of initiating and then presenting disciplinary cases against player agents who engage in prohibited conduct as defined in Section 3, B (1) - (22), above. In carrying out this function the Committee also will have the assistance of legal counsel.

B. Complaint; Filing

Disciplinary proceedings against any certified player agent shall be initiated by the filing of a written complaint against the agent by the Committee when it has reasonable cause to believe that the player agent has engaged in or is engaging in prohibited conduct. The Committee may act on the basis of its own knowledge or on the basis of information obtained from any person having knowledge of the action or conduct of the player agent in question, including, but not limited to, players, WNBPA staff, federal, state or local governmental authorities or other persons associated with professional or intercollegiate basketball. The Complaint shall be sent to the player agent by prepaid certified or overnight mail addressed to the player agent's business office, or may be hand-delivered to the player agent personally at his/her business address. The Complaint shall set forth the specific action or conduct giving rise to the Complaint and cite the Regulation(s) alleged to have been violated.

A Complaint must be filed by the Committee (or its designee(s)) within one year from the date of the occurrence which gave rise to the Complaint, or within one year from the date on which the information sufficient to create reasonable cause became known or reasonably should have become known to the Committee, whichever is later. The filing deadline for initiating a Complaint arising out of facts which are the subject of a Section 5 grievance or dispute, criminal or civil litigation, arbitration, criminal or civil proceedings, administrative hearing or investigation, shall be extended to one year from the date of the Arbitrator's final disposition in the Section 5 grievance or the final decision in such other criminal or civil litigation, arbitration, criminal or civil proceedings, administrative hearing or investigation.

C. Answer

The player agent against whom the Complaint has been filed shall have twenty (20) days in which to file a written Answer to the Complaint. Such Answer shall be sent by prepaid certified or overnight mail to the Committee at the offices of the WNBPA. The Answer must admit or deny the facts alleged in the Complaint, and shall also assert any

facts or arguments which the player agent wishes to state in his/her defense. Failure to timely answer shall be deemed an admission of the allegations in the Complaint.

D. Proposed Disciplinary Action

Within thirty (30) days after receipt of the Answer, the Committee shall inform the player agent in writing (by prepaid certified or overnight mail) of the nature of the discipline, if any, which the Committee proposes* to impose, which discipline may include one or more of the following:

- (1) Issuance by the Committee of an informal order of reprimand to be retained in the player agent's file at the Committee's offices;
- (2) Issuance of a formal letter of reprimand which may be made public;
- (3) Imposition of a fine upon the player agent, payable within thirty (30) days of the imposition of such fine;
- (4) Suspension of a player agent's certified status for a specified period of time during which he/she is prohibited from representing the WNBPA in conducting individual contract negotiations for any WNBA player or assisting in or advising with respect to such negotiations. During such suspension or revocation of certification the player agent may, at the discretion of the Committee, be prohibited from collecting any fees that he/she would otherwise have been entitled to receive pursuant to any Standard Player Agent Contract; and,
- (5) Prohibiting the player agent from collecting any fees that he/she would otherwise have been entitled to receive pursuant to any Standard Player Agent Contract; and
- (6) Revocation of the player agent's Certification hereunder.

E. Appeal

The player agent against whom a Complaint has been filed under this Section may appeal the Committee's proposed disciplinary action to the Arbitrator by filing a written Notice of Appeal with the Arbitrator with a copy to the Committee within twenty (20) days following his receipt of notification of the proposed disciplinary action.

Within thirty (30) days of receipt of the Notice of Appeal, the arbitrator shall set a time and place for a hearing on the appeal, which hearing shall take place in New York City, unless the parties mutually agree upon Chicago or Los Angeles.

The failure of a player agent to file a timely appeal shall be deemed to constitute an acceptance of the proposed discipline which shall then be promptly administered.

If the Committee already has invalidated the agent's certification (see asterisk [] at page 3), the same appeal procedure as contained herein shall apply.

F. Arbitrator

The Arbitrator shall be the same Arbitrator selected to serve pursuant to Section 5, unless such Arbitrator has previously heard and decided a grievance under Section 5 involving the same player agent and the same factual circumstances which are the subject of the disciplinary action herein. In such cases, the Committee shall select another skilled, impartial and experienced person to serve as the Arbitrator.

G. Conduct of Hearing

At the hearing of any appeal pursuant to this Section 6, the Committee shall have the burden of proving, by a preponderance of the evidence, the allegations of its Complaint. The Committee and the player agent shall be afforded a full opportunity to present, through testimony or otherwise, its evidence pertaining to the action or conduct of the player agent alleged to be prohibited by the Regulations. The hearing shall be conducted in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association. Each of the parties may appear with counsel or a representative of its choosing. All hearings will be transcribed. There shall be no pre-hearing or post-hearing briefs required in Appeal hearings unless requested by the Arbitrator.

At the close of the hearing or within thirty (30) days thereafter, the Arbitrator shall issue a decision on the appeal, which decision shall either affirm, vacate or modify the proposed action of the Committee. The Arbitrator shall decide two issues: (1) whether the player agent has engaged in or is engaging in prohibited conduct as alleged by the Committee; and (2) if so, whether the discipline proposed by the Committee is reasonable in the circumstances of the case under review. If the Arbitrator decides both questions affirmatively, the Arbitrator shall issue an order affirming the proposed discipline; if the Arbitrator decides that the player agent has not engaged in any prohibited conduct, the Arbitrator shall issue an order vacating the proposed discipline and dismissing the case; and, if the Arbitrator decides the first question affirmatively but concludes that the proposed penalty is unreasonable, the Arbitrator shall issue an order modifying the penalty (provided, however, that no modification can result in the imposition of more severe discipline than that proposed by the Committee). The Arbitrator's decision shall be made in the form of an appropriate written order reflecting the Arbitrator's opinion and shall be final and binding on all parties.

H. Time Limits; Cost

Each of the time limits set forth in this Section may be extended only by mutual written agreement of the parties involved. The fees and expenses of the Arbitrator under this section 6 will be paid by the WNBPA. Each party will bear the costs of its own witnesses and counsel, and any other expenses related to its participation in the proceedings.

SECTION 7: EFFECTIVE DATE: AMENDMENT

These Regulations shall become effective on January 1, 2000.

These Regulations may be amended periodically by the action of the Officers of the WNBPA and the Player Representatives.

SPORTS AGENT REGULATION

State statutes, Web sites, and registration information

Perhaps no issue will continue to dominate the near future of the practice of athlete representation than sports agent regulation. In the SLA's continuing effort to keep its membership updated on the most current state agent regulation laws, we present the following list of jurisdictions that now regulate sports agent conduct. Current as of January 1, 2000, this list includes not only contact information for registration where applicable, but now also includes Web site addresses that lead to copies of each state statute. (A version of this document soon will be available on the Sports Lawyers Association's Web site at www.sportslaw.org, where members will be able to automatically link to these state laws.)

Alabama

Registration required

Code of Alabama, sec. 8-26

Contact: Alabama Athletic Agents Regulatory Commission
P.O. Box 5616
Montgomery, AL 36103-5616
334-242-7591

www.legislature.state.al.us/CodeofAlabama/1975/64583.htm
Site links directly to statute

Arizona

No registration required

Arizona Revised Statutes, secs. 15-1761 to 17-1765

azleg.state.az.us/ars/ars/15/title15.htm

Site links directly to statute

Arkansas

Registration required

Arkansas Code, secs. 17-16-101 to 17-16-703

Contact: Office of the Secretary of State
Arkansas State Capital Building
Room 026
Little Rock, AR 72201
501-682-3478/800-482-1127

www.arkleg.state.ar.us/tpbin/tpext.dll?f=files/browse-h.htm

Enter "athlete agent" in space provided for query.

California

Registration required

California Business and Professions Code, secs. 18895-18897

Contact: Office of the Secretary of State
1500 11th Street
Room 365
Sacramento, CA 95814
916-653-3794

www.leginfo.ca.gov/calaw.html

Search for Business and Professions Sections 18895-18897

Colorado

No registration required

Colorado Statutes, chapter 23-16

web.intellinetusa.com/cgi-dos/statsrcf.exe?N&DOSRCH
Enter "23-16" in citation search field

Connecticut

Registration required

Connecticut Code secs. 20-553 to 20-569

Contact: Department of Consumer Protection
Athletic Division
165 Capitol Avenue
Hartford, CT 06106
860-566-6908

www.cslib.org/statutes/title20/t20-p55.htm#1

Site links directly to statute

Florida

Registration required

FL Stat. secs. 468.451 to 468.4571

(Passage of state licensure exam required)

Contact: Office of Athlete Agents
Florida Department of Business and Professional Regulation
1940 North Monroe Street
Tallahassee, FL 32399-0774
850-488-7587

www.leg.state.fl.us:80/citizen/documents/statutes/1998/ch0468/part09.htm

Georgia

Registration required
Code of Georgia, chapter 43-4A
Contact: Office of the Secretary of State
Georgia State Examining Board
Athlete Agent Registration
166 Pryor Street, S.W.
Atlanta, GA 30303
404-656-6719

www.ganet.org/services/ocode/ocgsearch.htm
Enter "athlete agents" in site search field

Indiana

No registration required
Indiana Code, chapter 35-46-4
www.in.gov/legislative/ic/code/title35/ar46/ch4.html
Site links directly to statute

Iowa

Registration required
Iowa Code chapter 9A, secs. 1-12
Contact: Office of the Iowa Secretary of State
Athlete Agent Registration
Hoover Building
Second Floor
Des Moines, IA 50319
515-281-5204

www2.legis.state.in.us/IACODE/1999/9A
Site links directly to statute

Kansas

Registration required
Kansas Statutes secs. 44-1501 to 44-1515
Contact: Office of the Secretary of State
Athlete Agent Registration
State Capitol
Second Floor
Topeka, KS 66612-1594
785-296-2034

www.ink.org:80/public/statutes/main.html
Search for 44-1501 through 44-1515 in query section

Kentucky

Registration required
Kentucky Revised Statutes, secs. 164.680 to 164.689
Contact: Division of Occupations and Professions
Athlete Agent Regulation
P.O. Box 456
Frankfort, KY 40602
502-564-3296, ext. 224

www.lrc.state.ky.us/search

In "Kentucky Revised Statutes (KRS) 120-216b," search for 164.680

Louisiana

Registration required.
Louisiana Statutes secs. 4:421 to 4:430
Contact: Office of the Louisiana Secretary of State
Corporations Division
Athlete Agent Registration
P.O. Box 94125
Baton Rouge, LA 70804-9125
504-925-4704

No Web site yet available

Maryland

Registration required
Maryland Code Annotated, Business Regulations secs. 4-401 to 4-426
Contact: Maryland Department of Labor Licensing and Regulation
Sports Agent Licensing Program
500 North Calvert Street
Baltimore, MD 21202
410-333-0760

mlis.state.md.us/cgi-win/web_statutes.exe

Go to Business Regulations sections 4-401 through 4-426

Michigan

No registration required
Michigan Compiled Laws, secs. 390.1501 to 390.1503;
600.2968; 750.411e
Contact: Michigan Department of Attorney General
Public Information Unit
P.O. Box 30212
Lansing, MI 48909

www.michiganlegislature.org/law/getObject.asp?objName=chapterlist

Search in Chapters 390, 600 and 750 for text of law

Minnesota

No registration required
Minnesota Statutes, Trade Practices sec. 325E-33
www.revisor.leg.state.mn.us/stats/325E/33.html
Site links directly to statute

Mississippi

Registration required
Laws of Mississippi, chapter 73-41
Contact: Mississippi Secretary of State
Office of Athlete Agent Registration
P.O. Box 136
Jackson, MS 39205
601-359-1604
www.sos.state.ms.us/policy_admin/mscode/index.html
Search on Web site for Title 73, Chapter 41

Missouri

Registration required
Missouri Statutes, secs. 436.200 to 436.212
Contact: Office of the Missouri Secretary of State
Corporations Division
P.O. Box 778
Jefferson City, MO 65102
573-751-3200
www.moga.state.mo.us/statutes/C400-499/4360200.htm
This site provides the start of the statute. For the remainder of the statute, replace last part of site address with "4360205.htm," "4360209.htm," and "4360212.htm"

Nevada

No registration required
Nevada Statutes secs. 398.065 to 398.095; 597.920
Contact: Office of the Attorney General
555 East Washington
Suite 3900
Las Vegas, NV 89101
702-486-3420
www.leg.state.nv.us/web/99NRS/NRS-398.html
This is the first sections of the statute. For the remaining section, replace last part of site address with "597.html"

North Carolina

Registration required
North Carolina Statutes, secs. 78C-71 to 78C-81
Contact: Department of the Secretary of State
Athlete Agent Registration
300 North Salisbury Street
Raleigh, NC 27603-5909
919-733-3924
www.ncga.state.nc.us/statutes/statutes_in_html/chp078c.html
Note that searching only for sections 78C-71 through 78C-81

North Dakota

No registration required
North Dakota Statutes, chapter 9-15
[www/state.nd.us/li/centurycode.html](http://www.state.nd.us/li/centurycode.html)
Search for Chapter 9

Ohio

No registration required
Ohio Revised Code Annotated, secs. 4771.01 to 4771.99
orc.ava.com/title-47/sec-4771/index.htm
Site links directly to statute

Oklahoma

Registration required
Oklahoma Statutes Annotated, Title 70 secs. 821.61 to 821.71
Contact: Oklahoma Secretary of State
Athlete Agent Registration
2300 North Lincoln Boulevard
Suite 101
Oklahoma City, OK 73105
405-522-4560
www2.lsb.state.ok.us/tsrs/os_oc.htm
Search for "athlete agent" or Sections 70-821.61 through 70-821.7

Oregon

Registration required
Oregon 1999 House Bill 3628
Signed by governor 9/1/99
Contact: Oregon Department of Education via Web site
at: www.ode.state.or.us/pupiltrans/regagent.asp
www.leg.state.or.us:8765/
Search 1999 Legislative Measures HB 3628

Pennsylvania

Registration required

5 Pa. C.S.A. secs. 3101 to 3103, 3301 to 3312; 18 Pa. C.S.A. sec. 7107

Contact: Pennsylvania State Athletic Commission
Athlete Agent Registration
116 Pine Street
Third Floor
Harrisburg, PA 17101
717-787-5720

members.aol.com/DKM1/18.Cp.71.html

members.aol.com/StatutesP4/5.Cp.31.html

Both sites link directly to statute. For second part of second cite replace end with "5.Cp.33.html." Note these Web sites are hosted by private services and are not official government sites.

South Carolina

Registration required

South Carolina Statutes, secs. 59-102-10 to 59-102-50

Contact: South Carolina Department of Consumer Affairs
Athlete Agent Registration
P.O. Box 5757
Columbia, SC 29250-5757
803-734-0460 ext 121

Tennessee

Registration required

Tennessee Code Annotated, secs. 49-7-2111 to 49-7-2121

Contact: Tennessee Department of State Division of Elections
Athlete Agent Licensing
James K. Polk Building
Suite 1700
Nashville, TN 37243-0309
615-741-7956

[www.lexislawpublishing.comsdCGIBINom_isapi.dll?clientID=4317&hitsperheading=on&infobase=tncode.NFO&record=\(24117\)&softpage=Document](http://www.lexislawpublishing.comsdCGIBINom_isapi.dll?clientID=4317&hitsperheading=on&infobase=tncode.NFO&record=(24117)&softpage=Document)

Hit "next page" until Part 21 appears

Texas

Registration required

Texas Revised Civil Statutes, Article 8871

Contact: Texas Secretary of State
Athlete Agent Registration
P.O. Box 12887
Austin, TX 78711
512-475-1769

capitol.state.tx.us/statutes/codes/VN000140Part2.html

Scroll down to the end of the link to Article 8871