

**INDEX TO THE CONSTITUTION
OF THE
CANADIAN FOOTBALL LEAGUE**

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July 19, 1999

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SUMMARY OF VOTING REQUIREMENTS

A. Matters Requiring Unanimous Approval of All Members Voting

1. A decision pursuant to Article 3.06(b) of the Constitution regarding the premature withdrawal of a membership.
2. A decision pursuant to Article 4.05 of the Constitution regarding the overlap of franchise areas.
3. A decision pursuant to Article VI of the Constitution regarding the lifting of a television blackout.
4. An amendment of any article in the Constitution which has been designated as requiring unanimity by paragraph (a) of Article 8.27 of the Constitution, such designated articles being Articles 4.01 to 4.06 of Article IV, Article 8.27 of Article VIII, and Article XIV.
5. A decision pursuant to Article 8.29 to suspend the Constitution to permit a waiver of notice of motion on any matter before the Board of Governors or Management Council.

B. Matters Requiring Approval of 75% of Members Voting

1. A decision pursuant to Article 3.05 of the Constitution to approve a new membership.
2. A decision pursuant to Article 3.08 of the Constitution to revoke a membership.
3. A decision pursuant to Article 3.09 of the Constitution to dispose of the assets of a revoked membership.
4. A decision pursuant to Article 3.10 of the Constitution to transfer ownership of a membership.
5. A decision pursuant to Article 4.05 of the Constitution to transfer a club out of its franchise area.
6. A decision pursuant to Article 4.06 of the Constitution to change the structure of the Divisions.
7. An amendment to any article of the Constitution other than those designated in Article 8.27(a) of the Constitution as requiring unanimity.
8. A petition by the Management Council to the Board of Governors pursuant to Article 9.13 of the Constitution to amend any article of the Constitution.
9. A decision pursuant to Article 11.01 of the Constitution to appoint a Commissioner.
10. A decision pursuant to Article XIII to change the structure of the regular season schedule.

C. Matters Requiring Approval of 66 2/3% of Members Voting.

1. A decision by the Board of Governors on any matter not designated as requiring 100% or 75% approval.
2. A decision by the Management Council on any matter other than a petition to the Board of Governors pursuant to Article 9.13 of the Constitution.
3. An amendment to the By-laws by either the Board of Governors or the Management Council.

D. Matters Requiring a Simple Majority of Members Voting

1. A decision by the Rules Committee pursuant to Article XV of the Constitution
2. A decision by any committee appointed by the Board of Governors or Management Council pursuant to Article X of the Constitution..

CONSTITUTION

ARTICLE 1 -- Name

1.01 The League shall be an unincorporated non-profit association called the "Canadian Football League."

1.02 For the purposes of this Constitution:

- (a) "Blackout Area" means the geographical area within one hundred and twenty kilometers of the city limits of the city in which a game is being played, or the entire province of Saskatchewan in the case of a game played within that province, as it applies to a signal transmitted by conventional television, or fifty six kilometers if the signal is carried by cable television.
- (b) "Board of Governors" means the government of the League, consisting of one voting representative from each member.
- (c) "Commissioner" means the Chief Executive Officer of the League, in whose name and on whose authority the Office of the Commissioner functions.
- (d) "Franchise" means the right granted by the League to a member to operate a professional football club in a designated area.
- (e) "Franchise Area" means the city in which the member is located and plays its home games and includes the surrounding territory to the extent of 200 kilometers in every direction from the corporate limits of such city.
- (f) "Franchise Certificate" means the document issued by the League to confirm that the holder has the right to operate a professional football club in a designated franchise area.
- (g) "Gate Sharing" means the process whereby the Visiting Club becomes entitled to receive an amount equal to ten percent of the Net Gate realized by the Home Club in a regular season game.
- (h) "Gross Gate" means the total proceeds from the sale of tickets actually sold or issued for any and all games for which payment has been received or is receivable in cash or in kind.
- (i) "Home Club" means the member at whose stadium a game is played.
- (j) "Intellectual Property" means the ownership vested in a member by the League of such intangibles as team name, team colours, trademarks and the right to use them.
- (k) "League Television Rights" means the right vested in the League by the members to sell or assign, on behalf of the members, the rights of members to televise all League sanctioned games, Divisional playoff games and the National Championship Grey Cup Game, and shall include, inter alia, regional television rights and rights from conventional and cable television.

- (l) "Local Television Rights" means the rights to a game not selected as part of a League Television Rights package, and not in conflict with League Television Rights.
- (m) "Management Council" means the body responsible for League operations and consisting of one voting representative from each member.
- (n) "Net Gate" means the Gross Gate less the deductions prescribed in Article VII.
- (o) "Primary Blackout" means the blackout area applicable to a game being played within the blackout area.
- (p) "Secondary Blackout" means the blackout area applicable to a game being played outside the blackout area at the same time that a game is being played within the blackout area.
- (q) "Territorial Limits" means the geographical area in which the member has exclusive rights to develop domiciled players and conduct training programs.
- (r) "Territorial Right" means the exclusive right of a member to the playing services of a player of junior age domiciled within its territorial limits.
- (s) "Travel Equalization" means the process whereby the travel costs for 45 persons on each Visiting Club are pooled and an average cost determined so that at the conclusion of a season a member whose total travel costs for the season exceed the League average will receive an amount equal to such excess, while a member whose total travel costs for the season fall below the League average will contribute an amount equal to such shortfall.
- (t) "Visiting Club" means a member whose team is playing a game at the stadium of another member.

ARTICLE II - Objects and Mission

2.01 The objects for which the League is organized are:

- (a) To promote the common interests of the members of the League; and
- (b) To promote the interests of Canadian professional football.

2.02 The League shall not be operated for profit.

2.03 The mission of the League is to produce a distinctively Canadian football product of the highest quality, which is built upon and reflects the traditions of the past, and at the same time is progressive in outlook and relevant to the circumstances of the present and future. In accomplishing this mission, the League recognizes that it has responsibilities to the general public, to players and officials and to its franchise holders to manage its affairs in a professional manner so as to:

- (a) present an exciting product on a continuing basis;
- (b) strive continually for both excellence of play and competitive balance throughout the League;
- (c) provide for the equitable treatment, safety and well-being of players and officials;
- (d) provide financial returns appropriate to the need for continuing stability of the franchises; and
- (e) maintain the highest integrity in all matters.

ARTICLE III - Membership

3.01 Membership in the League shall be limited to the members of the League enumerated in Article 3.03 and such new members as may thereafter be duly admitted, each member being the owner of a professional football club.

3.02 A franchise certificate shall be issued by the League to each member and shall be conclusive evidence of the membership of its owner in the League and shall remain the property of its owner until forfeited or transferred as herein provided. The franchise certificate shall state that its owner holds a franchise from the League to operate a professional football club in a designated franchise area.

3.03 A franchise certificate shall be issued to each of the following members:

The Montreal Alouettes Football Club Company	Montreal, Quebec
Ottawa Renegades Football Club Inc.	Ottawa, Ontario
Blueco Limited Partnership	Toronto, Ontario
Hamilton Tiger-Cats Football Club (2003) Corp.	Hamilton, Ontario
Winnipeg Football Club	Winnipeg, Manitoba
Saskatchewan Roughrider Football Club Inc.	Regina, Saskatchewan
CS Limited Partnership.	Calgary, Alberta
Edmonton Eskimo Football Club	Edmonton, Alberta
B.C. Lions Football Club Inc.	Vancouver, B.C.

for their respective areas. Each member is required to provide to the League the information mentioned in Article 3.05(a)(3),(4),(5) and (6).

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

3.05 (a) Each applicant for a new membership shall make a written application to the Commissioner. Such application shall describe the type of organization and shall designate the city in which the franchise of the applicant shall be located; such application shall further describe and contain the following information:

- (1) The names and addresses of all persons who do or shall own any interest or stock in the applicant, together with a statement that such persons will not own or hold such interest or stock for the benefit of any undisclosed person or organization.
- (2) An audited balance sheet of such company as of the date of organization and a pro forma statement as of the time it shall commence actual operation. An audited financial statement or other assurance of financial responsibility satisfactory to the Commissioner shall be required from the applicant and from anyone owning an interest in any applicant, including stockholders and partners.
- (3) If applicant is a corporation, a certified copy of the Articles of Incorporation and By-Laws or Memorandum and Articles of Association shall accompany such applicant provided, however, if the organization of such corporation has not been commenced or completed a detailed statement summarizing the proposed plan of operation and the capital structure thereof shall be furnished.

- (4) If applicant is partnership, unincorporated association or other entity, a certified copy of the partnership or organization agreement shall accompany such application.
 - (5) The names and addresses of all officers and directors.
 - (6) Each application shall contain a representation that upon acceptance, the applicant will subscribe to and agree to be bound by the Constitution, By-Laws, Rules and Regulations of the League and any amendments or modifications thereof and that the same shall not be open to review in any Court.
- (b) Each application for a new membership shall be accompanied by a certified cheque for One Hundred Thousand (\$100,000) Dollars. Upon approval of any application for membership, an additional fee to be determined by the Board of Governors shall be paid to the League. If any application for admission is rejected, the League shall repay to the applicant the sum of Fifty Thousand (\$50,000) Dollars paid by the applicant at the time of such application, less all expenses reasonably incurred in connection with the consideration and investigation of such application.
 - (c) Upon receipt of any application for a new membership in the League, the Commissioner shall conduct such investigation thereof as deemed to be appropriate. Following the completion of such investigation, the Commissioner shall submit the application to the Board of Governors together with a recommendation thereon, and such information thereon that the Commissioner deems pertinent. Each proposed owner or holder of any interest in a membership, including stockholders in any corporation, must be individually approved by the Board of Governors; approval of the new membership and of all persons owning any interest therein shall be effective if approved by the affirmative vote of not less than seventy-five percent (75%) of the members voting thereon.

3.06 Any member of the League may withdraw from membership either:

- (a) By selling, assigning, or transferring its membership upon the terms and conditions set out in the Constitution; or
- (b) By delivering to the Commissioner a written notice of its intention to withdraw from membership stating the date upon which the withdrawal is to be effective provided that such effective date shall not be within three (3) years of the date of delivery of such notice nor between February 1 and December 31 of such year, except with the unanimous consent of all members. Upon the effective date the withdrawal shall be completed by the withdrawing member surrendering its franchise certificate, making full payment of any and all dues, assessments or other debts owing to the League, and any other members, and assigning to the League, or its nominee, all player contracts and the lease of its playing field if and to the extent the lease is assignable, or
- (c) By paying to the League the sum of three million (\$3,000,000) dollars.

3.07 Membership in the League shall be automatically terminated whenever:

- (a) a member, or any partner therein, makes an assignment for the benefit of creditors, an assignment in bankruptcy or whenever a receiver, receiver-manager, agent or trustee in bankruptcy is appointed in respect of a material portion of the assets of the member or of any person holding an interest in a partnership member;
- (b) A member disbands its team in any year between January 1st and the date in that year when its team is eliminated from further competition in league play;
- (c) a member disbands its business organization or ceases to carry on its business, as defined by the Board of Governors, in that the member
 - (1) fails to meet an obligation to the League within the time specified, and a notice of default from the Chairman and Commissioner has been given to the member in writing, with a copy to all other members, or
 - (2) fails to meet an obligation for which the League is ultimately responsible whether or not the League has actually paid such obligation, or whether or not the obligation is due or payable by the League and a notice of default from the Chairman and Commissioner has been given to the member in writing, with a copy to all other members, or
 - (3) fails to meet an obligation to the member's player for which the League would be ultimately responsible, whether or not the League has actually paid such obligation, or whether or not that obligation is due or payable by the League and a notice of default from the Chairman and Commissioner has been given to the member in writing, with a copy to all other members.

which termination shall become effective seven business days after service of such notice pursuant to sub-paragraph (1) or (2) of this paragraph (c), or three business days after service of such notice pursuant to sub-paragraph (3) of this paragraph (c) of this Article 3.07.

- (d) A member's franchise is revoked.

- 3.08
- (a) In the event that a member shall be conducting its affairs in a manner harmful to the League, any other member, or the Commissioner on the Commissioner's own initiative, may give written notice with full particulars of the matters of complaint to all members and the Commissioner.
 - (b) Upon such notice being given to the Board of Governors, the Commissioner shall place the meeting on the agenda for the first League meeting to be held more than 15 days after the date such notice was given, or such other meeting called by the Commissioner for the purpose of dealing with the complaint;

- (c) Upon receipt of such notice, the Commissioner shall either personally investigate all matters of complaint or appoint a committee of four (4) members of the Board of Governors to so investigate. The representative on the Board of Governors of the member complained against shall not be appointed to such committee. If the complaint was initiated by the Commissioner a committee shall be appointed to conduct the investigation.
 - (d) The report of the investigation shall be considered at the same League meeting as the complaint.
 - (e) Any four (4) members may, not less than five (5) nor more than thirty (30) days after the adjournment of the League meeting at which the complaint and report of the investigation thereof were considered, give Notice of Motion in writing to all members that the franchise of the member complained against be revoked or that the member be required to dispose of or transfer such of its assets as the Notice of Motion may designate and surrender its franchise to the League and, at the same time, require the Chairman, pursuant to Article 8.21, to convene a meeting of the League to consider and dispose of the Notice of Motion.
 - (f) The motion pursuant to Article 3.08 (e) shall be effective if adopted by the affirmative vote of at least 75% of the members voting and if there has been material compliance with the provisions of Article 3.08;
 - (g) Notwithstanding Article 8.22, the Commissioner may call a meeting of the Board of Governors for the purposes of this Article 3.08 on such notice as the Commissioner deems appropriate.
- 3.09 (a) Upon the revocation of a member's franchise or upon any other termination of membership the following shall occur:
- (1) The lease of the playing field or interest of the member therein, if and to the extent that the lease or interest is assignable, shall, upon demand of the Board of Governors 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 not less than seventy-five percent (75%) of the members voting; said lease shall thereafter be handled or disposed of in such a manner as the remaining League members, by the affirmative vote of not less than seventy-five percent (75%) of the members voting, shall decide.
 - (2) Title to all players' contracts of the terminated member and title to all players of such terminated member and any interest or right to such players and contracts shall, if demanded by the Board of Governors, be assigned to the League or its nominee, provided that such assignments are first approved by the affirmative vote of not less than seventy-five percent (75%) of the members voting; said players and contracts so acquired shall thereafter be handled and disposed of within the League in such a manner as the remaining member clubs by the affirmative vote of not less than seventy-five percent (75%) of the members voting shall decide.
 - (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.

- (4) For the purposes of the assignments referred to in Article 3.09(a)(1) and (2), such assignments shall be deemed to have been effected upon the giving of notice by the League in accordance with Articles 3.09(a)(1) and (2) and no further act of the member shall be required to effect such assignments.
- (b) Whenever a member is required by the League to dispose of or transfer any of its assets or any shareholder, partner or holder of any interest in a member club is required by the club to sell or dispose of shares or an interest in a membership in the League by reason of suspension or other involuntary termination, such sale or disposition must be completed within sixty (60) days after such action has been ordered. If such assets, stock or interest are not sold or disposed of within sixty (60) days then the price and other terms of sale or disposition shall be fixed by mutual agreement between the person affected and the Commissioner; if such cannot be accomplished by mutual agreement, then the price and other terms shall be fixed by arbitration with one arbitrator to be selected by the Commissioner and the other by the affected holder of the stock or interest. If within five (5) days the two arbitrators cannot agree on the price and terms, then the two arbitrators shall select a third arbitrator and the decision of the majority of the arbitrators shall be binding on all parties.

If any person required to name an arbitrator fails to do so, or if the two arbitrators cannot agree on a third arbitrator, then such arbitrator in either case shall be named by the Commissioner.

3.10 Subject to the provisions of Article 3.17 hereof ownership of a membership, or an interest therein which in the opinion of the Commissioner constitutes or affects control of such membership, may not, directly or indirectly be sold, assigned or otherwise transferred or dealt with, in whole or in part, except in accordance with and subject to the following procedure:

- (a) Application for approval of a sale, transfer or assignment of a membership or of any interest therein, must be made in writing to the Commissioner. Upon receipt of such application the Commissioner may require from applicant and applicant shall furnish such information as the Commissioner may require including:
 - (1) The names and addresses of each of the buyers, transferees or assignees thereof.
 - (2) The price to be paid for such sale, transfer or assignment, and the terms of payment, including a description of the security for any unpaid balance, if any.
 - (3) A banking reference for each buyer, transferee, or assignee.
 - (4) If the buyer, transferee or assignee is a corporation, a certified copy of the Articles of Incorporation and By-Laws or Memorandum and Articles of Association thereof, together with the names and addresses of the directors and officers thereof, the names and addresses of the shareholders therein and the prices paid or to be paid and the time of payment for said shares, a copy of any proposed voting trust agreement and of any voting trust certificates or other arrangements, if any, affecting control of the membership.

- (b) Upon receipt thereof, the Commissioner shall conduct such investigation as he deems appropriate. Upon the completion thereof, the Commissioner may approve the proposed transfer or may submit it to the Board of Governors together with a recommendation thereon, and all information in respect thereto that the Commissioner deems pertinent. All sales, transfers or assignments shall only become effective if approved by the affirmative vote of not less than seventy-five percent (75%) of the members voting thereon.
- (c) If any person owning or holding a membership, or an interest therein, by stock ownership or otherwise, dies, such membership or interest therein may be transferred to a member of the "immediate family" of the deceased without requiring the consent or approval of the members of the League or the Commissioner thereof; similarly, if any person owning or holding a membership or an interest therein, by stock ownership, or otherwise, seeks to transfer such membership or an interest therein, by gift, such membership or the interest therein may be transferred to the donee if the donee is a member of the "immediate family" of the donor; in such event, consent to or approval of the members of the League or the Commissioner shall not be required to complete such transfer. The "immediate family", for the purpose of this paragraph shall mean the spouse, child, mother, father, brothers and sisters, or any other lineal descendant of the deceased or donor. In all other cases involving death or transfers by gift, any person succeeding to a membership or an interest therein, whether by gift, will, intestacy, or otherwise, must be first investigated by the Commissioner in such manner as the Commissioner deems appropriate. Upon the completion thereof, the Commissioner shall submit such succession or transfer to the membership for approval and shall accompany the same with a recommendation thereon; such succession or transfer shall not be effective unless first approved by the affirmative vote of not less than seventy-five percent (75%) of the members.
- (d) With respect to any application by any member of the League, or any person having any interest in any member of the League pursuant to the provisions of this Article 3.10, the Commissioner shall have the right prior to the granting of any approval thereof, and the Board of Governors shall have the right prior to the granting of any approval thereof, to levy and be paid a fee with respect to such application in an amount determined in the sole discretion of the Commissioner or the Board of Governors, as the case may be, necessary or expedient in the opinion of the Commissioner or the Board of Governors, as the case may be, to cover all reasonable expenses of the Commissioner and/or the Board of Governors, as the case may be, (including the estimated cost of legal or other professional fees paid or to be paid by the Commissioner and/or the Board of Governors, as the case may be) with respect to such application.

3.11 Ownership of a part interest in a membership, which part interest does not constitute or affect control of such membership, may be sold, assigned or otherwise transferred or dealt with upon notification to the Commissioner provided the buyer, assignee or transferee is already a holder of a part interest in the membership and will not acquire control of the membership through such purchase, assignment or transfer.

3.12 The owner of a non-voting interest or part interest in a membership may sell, transfer or assign or deal with such non-voting interest or part interest in a membership to a person who is not already an owner of an interest in the membership upon notification to the Commissioner.

- 3.13 Subject to the provisions of Article 3.17 hereof ownership of a voting interest or a part interest in a membership, which interest or part interest does not constitute control of such membership, may be sold, assigned or otherwise transferred or dealt with to a purchaser, assignee or transferee who is not already, directly or indirectly, the owner of a voting interest or a part interest in the membership only upon application to the Commissioner, who shall follow the procedure outlined in paragraph (b) of Article 3.10, and who may require the applicant to submit the information required under paragraph (a) of the said Article 3.10.
- 3.14 A new member acquiring its membership by transfer from another member shall succeed to the interest of the transferor in and to the funds, property, rights, and interests of the League and shall not be obligated to make the capital contribution required under Article 3.05(b) hereof.
- 3.15 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 club, 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 in all matters within the jurisdiction of that office.
 - (b) They, and each of them, shall be bound by and will observe all decisions, rulings and action of the Board of Governors in every matter within its jurisdiction.
 - (c) They, and each of them, waive any and all claims or demands, whether for damages or otherwise, which they, or any of them, might now or hereafter possess against the Commissioner individually or in his official capacity, as well as against the League or any employee thereof, and against any member club or any officer, director, owner, stockholder, or partner thereof, or the holder of any interest therein, in connection with or by reason of any decision, ruling or action of the Commissioner or the Board of Governors, in reference to any matter within their respective jurisdictions.
 - (d) They, and each of them, shall include in every contract between any member club and its employees, including coaches and players, a clause wherein the parties to such contract agree to be bound by the Constitution and By-Laws of the League.
 - (e) That after becoming a member of the League, the primary purpose of the corporation, partnership or other entity 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.
 - (f) That copies of all proposed amendments to their Articles of Incorporation and By-Laws or Memorandum and Articles of Association shall be submitted in advance of adoption to the Commissioner and certified copies thereof, after adoption, shall be filed with the Commissioner.
 - (g) They, and each of them, agree to be bound by all of the terms and provisions of the Constitution and By-Laws of the League as now or hereafter in effect.

- 3.16 Notwithstanding the foregoing, the Board of Governors may impose such further and other conditions and requirements, not inconsistent herewith, as it may deem proper as conditions of admission to membership or to an interest in a membership.
- 3.17 Article 3.10 and Article 3.13 hereof are not applicable to any proposed sale, assignment or transfer of up to a ten percent (10%) interest in a membership or in the Equity Securities of a corporation, partnership or other entity that owns a membership if such Equity Securities are (i) registered pursuant to Section 12 of the United States Securities Exchange Act of 1934, as amended; or (ii) listed on the Montreal Stock Exchange, the Toronto Stock Exchange or the Vancouver Stock Exchange, or traded on an organized securities exchange or non-exchange market designated by the Commissioner unless the effect of any such sale, assignment or transfer is or may be to change the ownership or effective control of such membership or corporation, partnership, or other entity that owns a membership. For the purpose of this Article 3.17, the term "Equity Securities" shall be and mean (x) any securities which have a general right to vote in the election of directors, general partners or other managers of a member, (y) any securities or other property which by their terms are convertible into or exchangeable for Equity Securities, and (z) warrants or options to purchase Equity Securities.

ARTICLE IV - Franchise Areas and the Divisions

- 4.01 Whenever two (2) members are located and hold franchises for League cities within four hundred kilometers (400 KM) of each other, measured from the exterior corporate limits of each city, then territorial rights of each member with respect to the territory between the two franchise holders shall only extend to and include an area of one-half of the distance between such cities.
- 4.02 The League shall have exclusive control of the conduct of football games by member clubs including the playing rules subject to the rights hereinafter granted to members.
- 4.03 Each member shall play its home regular league and playoff games within its respective franchise area provided that, subject to Article 4.05, such games may be played outside its respective franchise area with the prior written consent of the Commissioner. Pre-season games may, subject always to Articles 4.05 and 13.06, be played outside the franchise areas of the participating clubs but any such game proposed to be played outside Canada shall require the prior written consent of the Commissioner.
- 4.04 No member shall have the right to transfer its club or franchise outside of its Franchise Area except with the prior approval of the Board of Governors in accordance with the following procedure.
- (a) Application to relocate must be made in writing to the Commissioner. The application shall identify the proposed new location and the stadium in which the Member proposes to play its home games, and shall be accompanied by a certified cheque in the sum of \$50,000 to defray the costs of the investigation of the application. Following the disposition of any application the Commissioner shall repay to the applicant the sum of \$50,000, less all expenses reasonably incurred in connection with the investigation of the application.
 - (b) No application to relocate may be made after the first day of December 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 Committee shall be appointed by the Chairman of the Board of Governors and shall consist of no fewer than three (3) Governors or Alternate Governors. Within sixty (60) days from the Commissioner's receipt of the application, the Committee shall report to the Board of Governors with respect to the results of its investigation and its recommendations as to whether the application should be granted or denied. The recommendation of the Committee shall be based solely and exclusively upon the following factors.
 - (1) Whether the Committee is satisfied that the Member seeking to transfer its franchise has demonstrated, prior to submitting the application that:
 - A. current attempts to make the franchise succeed in its incumbent location have been unsuccessful; and
 - B. no other bona fide, qualified ownership group has come forward, or is likely to come forward, within a reasonable period of time to purchase the franchise and operate it in its incumbent location.

- (2) Whether the proposed new location can support a franchise in the League or, if the proposed new location is within the existing Territory of a Member, whether the proposed new location can support another franchise. In evaluating this factor, the Committee shall consider: age distribution; existing and projected markets for radio, broadcast television, cable television and other forms of audio-visual transmissions of League games; the size, quality and location of the stadium 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 major college/university football teams.
- (3) Whether the applicant has demonstrated that it will be able successfully to operate a team in the proposed new location. In evaluating this factor, the Committee shall consider the applicant's present and projected financial condition and resources and its past performance in operating a team in the League.
- (4) Whether the proposed relocation is likely to have an adverse effect upon the League's ability to market and promote CFL football on a North America-wide basis in a diverse group of geographic markets.
- (5) Whether the proposed new location presents particular disadvantages for the operating of the League such as by creating significant travelling or scheduling difficulties or because of adverse provincial, state or local laws or regulations.
- (6) Whether other Members, in addition to the applicant, are interested in transferring their franchises to either the incumbent location or to the proposed new location, or whether there are persons or entities interested in obtaining an expansion franchises in the incumbent location or the proposed new location. In any such event:
 - A. Except as otherwise provided herein, all applicants shall follow the procedures set forth in this Article. All additional applications to establish a CFL team in the incumbent location or in the proposed new location for the season to which the initial application relates shall be made within thirty (30) days of the Commissioner's receipt of the initial application referred to in paragraph (a), and the sixty (60) day period provided for in paragraph (b) of this Article shall be extended to no longer than thirty (30) days after the Commissioner's receipt of the initial application.
 - B. The Committee appointed pursuant to this Article shall investigate each of the applications and shall recommend which of the applications, if any, should be granted. In reaching its recommendation, the Committee shall consider all factors listed in sub-paragraphs (1) to (9) of paragraph (b) of this Article and shall also consider:
 - (i) which applicant is likely to operate most successfully in the proposed respective locations, or otherwise best serve the interests of the League; and

- (ii) in the case of a proposed expansion franchise, whether the interests of the League would best be served expanding the number of Members in the League. The Expansion Committee shall be canvassed for its views on this matter.
- (7) The impact of the proposed transfer on the regional, geographic and international balance of the League.
- (8) The impact of the proposed transfer (if any) on League television revenues.
- (9) The degree to which the intended new location falls within the criteria and the strategic plans of the League with regard to possible expansion sites.
- (c) The Committee is empowered to require from the applicant, and applicant shall furnish, such information as the Committee deems appropriate for the conduct of its investigation. The Committee may engage consultants or other experts to assist it in the investigation of the application and may also request such additional information from the Commissioner as the Committee may deem appropriate for the conduct of its investigation. All information supplied to the Committee pursuant to this paragraph 3 shall be made available to the applicant, and the applicant shall be afforded an opportunity to appear before the Committee to present whatever additional information or arguments the applicant desires. Any other Governor or representative may also appear before the Committee to present whatever information or arguments such Governor desires.
- (d) The Committee shall also consider the matter of what transfer or expansion fees should be payable in connection with any application submitted pursuant to the provisions hereof. In considering this matter and formulating a recommendation to the Board of Governors, the Committee may take account of the following factors:
 - (1) the existence at the time of the application of any unpaid balance for past expansion or transfer fees payable by the applicant;
 - (2) expansion or transfer fees paid by the applicant in connection with prior applications;
 - (3) the prevailing expansion (franchise) fees in place at the time of the application; and
 - (4) what is fair and equitable in the circumstances, taking into account the interests of the League as a whole and each of its members, including the applicant.

The Committee may also recommend to the Board of Governors any specific arrangements it sees as fair and appropriate with respect to the applicant's entitlement to any other expansion or transfer fees to which the League may become entitled.

(e) The report and recommendation of the Committee shall be delivered to each Member of the Board of Governors. A meeting of the Board of Governors shall be called by the Chairman to consider the Committee's report and recommendation, which meeting shall be held no sooner than seven (7) days and no later than thirty (30) days following delivery of the Committee's report and recommendation. The applicant shall be afforded an opportunity to appear before the Board of Governors to present whatever information or arguments the applicant desire. Such transfer shall only be effective if approved by the affirmative vote of not less than sixty-six and two thirds percent (66 2/3%) of the Members voting. The vote of each Governor on the proposed relocation shall be based solely and exclusively upon the factors listed in subparagraphs (a) to (i) of paragraph 2 of this Article.

4.05 Each member shall have the exclusive right within its Franchise Area to conduct professional football games played by teams of the League. No other member of the League shall be permitted to play games in the Franchise Area of a member, except games with the home club and except the Grey Cup Game, without the prior consent of the home club. No franchise shall be granted for operation within a Franchise Area which overlaps the Franchise Area of a member without the unanimous consent of the members.

4.06 The League shall be divided into two (2) Divisions: said Divisions shall be known as the Eastern Division and the Western Division, respectively.

The members in each Division are as follows

Eastern Division

1. Montreal Alouettes
2. Ottawa Renegades
3. Toronto Argonauts
4. Hamilton Tiger-Cats

Western Division

1. *Winnipeg Blue Bombers*
2. *Saskatchewan Roughriders*
3. *Calgary Stampeders*
4. *Edmonton Eskimos*
5. *British Columbia Lions*

The Division to which each member club is assigned and in which its teams shall engage, and the composition of each Division shall not be changed, extended, or modified, without the approval of the members of the League. Such approval, for the purposes of this Article, shall require the affirmative vote of not less than seventy-five percent (75%) of the members voting.

4.07 The territorial limits assigned to the member Clubs in Canada by the League as of September 9, 2002 are as follows:

(a) Montreal – The Province of Quebec with the exception of that portion situated within 120 kilometers of the Peace Tower in Ottawa.

- (b) Ottawa – The Provinces of New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island; that portion of the Province of Quebec situated within 120 kilometers of the Peace Tower; the City of Ottawa; the District Municipality of Muskoka; the Districts of Manitoulin and Parry Sound; the Town of Newcastle and the Townships of Brock, Scugog and Uxbridge in the Regional Municipality of Durham; the United Counties of Prescott and Russell, Leeds and Grenville, Lennox and Addington, and Stormont, Dundas and Glengarry; the Counties of Frontenac, Haliburton, Hastings, Lanark, Northumberland, Peterborough, Prince Edward, Renfrew and Victoria, all in the Province of Ontario.
- (c) Toronto – The City of Toronto; the Regional Municipalities of Peel, Waterloo and York; the Towns of Oakville and Halton Hills in the Regional Municipality of Halton; the City of Oshawa and the Towns of Ajax, Pickering and Whitby in the Regional Municipality of Durham; the Counties of Bruce, Dufferin, Grey, Huron, Lambton, Perth, Simcoe and Wellington, all in the Province of Ontario.
- (d) Hamilton – The Cities of Hamilton and Greater Sudbury; the Districts of Algoma, Cochrane, Nipissing, Sudbury, and Timiskaming; the Regional Municipalities of Haldiman-Norfolk and Niagara; the City of Burlington and the Town of Milton in the Regional Municipality of Halton; the Counties of Brant, Elgin, Essex, Kent, Middlesex and Oxford, all in the Province of Ontario.
- (e) Winnipeg – The Province of Manitoba.
- (f) Saskatchewan – The Province of Saskatchewan.
- (g) Calgary – The southern portion of the Province of Alberta, being that area south of the 52nd parallel latitude.
- (h) Edmonton – The northern portion of the Province of Alberta, being that area north of the 52nd parallel latitude.
- (i) B.C. - The Province of British Columbia.
- (j) The North West Territories and the territories of Yukon and Nunavut; the Districts of Kenora, Rainy River and Thunder Bay in the Province of Ontario are open to all Member Clubs of the Western Division.

ARTICLE V - Finance

- 5.01 Whenever moneys are required to meet the expenses of the League within the budget approved by the Board of Governors, the Commissioner shall request and each member shall forthwith contribute equally its share of the required moneys.
- 5.02 Save as hereinafter expressly provided for, whenever the League is in possession of moneys in excess of its reasonable short term requirements, the same shall be distributed equally to the members.
- 5.03 The net revenues from the sale of League Television Rights shall be divided equally among the members. The net revenues from the sale of local television rights shall be divided equally between the League and the member in whose local market the game is televised, with the League share to be divided equally among those members not receiving revenue from the sale of local television rights in their respective areas.

In the event of conflict between League Television Rights and local rights to the same game, the League Television Rights shall be deemed to prevail.

- 5.04 The net revenues from the Division Playoffs and the Grey Cup Game including, without limitation, revenues from the sale of rights applicable exclusively to the Grey Cup Game, shall be pooled and distributed to the members as follows:
- (a) A sum certain in the amount of \$60,000 shall be paid to the member winning the Grey Cup Game.
 - (b) A sum certain in the amount of \$40,000 shall be paid to the member competing in, but not winning, the Grey Cup Game.
 - (c) A sum certain in the amount of \$30,000 shall be paid to each of the members competing in, but not winning, their respective Division Final Games.
 - (d) A sum certain in the amount of \$20,000 shall be paid to each of the members competing in, but not winning, their respective Division Semi-Final Games.
 - (e) The balance in the pool shall be divided equally among all members of the League.
- 5.05 Any two (2) of the signing officers of the League shall be authorized to draw cheques and to transact any necessary business with the League's banker. The Chairman, Vice-Chairman, Commissioner, Treasurer and any other persons from time to time appointed by the Board of Governors shall be the signing officers of the League.

5.06 The League shall pay to each member Club an allowance for travel costs incurred by it in fulfilling its pre-season and regular season commitments to play its away games in the home cities of other member Clubs. When air travel is used the allowance in each season shall be based on Air Canada group economy fares (HSPORTS rate) for 50 persons at 50% (fifty percent) of the actual HSPORT rate applicable. If surface travel between Toronto and Hamilton is required for any game a further allowance of \$600 shall be added to the total air travel cost for that game. When air travel is not used by any member Clubs the allowance in each season shall be based on the applicable bus and/or rail fare for 50 persons. The applicable bus and/or rail fare will be used in the following circumstances, unless otherwise requested in advance by the member Clubs.

- a) Edmonton – Calgary and return
- b) Regina – Winnipeg and return
- c) Toronto – Hamilton and return
- d) Toronto – Ottawa and return
- e) Toronto – Montreal and return
- f) Hamilton – Ottawa and return
- g) Hamilton – Montreal and return
- h) Ottawa – Montreal and return

The League shall pay to each member Club an allowance for cargo costs incurred by it in fulfilling its pre-season and regular season commitments to play its away games in the home cities of other member Clubs when air travel only is used. The allowance shall be based on Air Canada's standard cargo rate for air transportation 1,100 kilograms of cargo per flight from the member Club.

In determining the allowance payable to each member Club the Commissioner shall, prior to the season, calculate the total travel costs for each member Club, shall aggregate the total such travel costs for all member Clubs and shall determine the League average travel costs per Club. A Club whose allowable travel costs, as calculated by the Commissioner, exceeds the League average shall receive a payment equal to the amount by which such costs exceeds such average. A Club whose travel costs, as calculated by the Commissioner, falls below the League average shall be required to pay to the League the amount by which such cost falls below such average.

The League shall review annually the travel equalization calculations and policy with the member Clubs.

5.07 Any and all revenue received by the League as an advance payment on account of a right assigned by the League on behalf of the member Clubs shall be placed in a trust bank account for distribution, including interest thereon, to the member Clubs within seven days after the first game of the regular season schedule of the year to which such advance payment applies.

5.08 Any and all revenue related to the Grey Cup Game received by the host Club on behalf of the League shall be deposited in a League trust bank account as received by the host Club.

5.09 The League shall withhold from revenues distributable to each member Club at the conclusion of the fiscal year an amount, to be determined by the Board of Governors, which shall be allocated to a segregated account and administered by the League on behalf of the member Clubs. Such funds shall be used as directed by resolution of the Board of Governors to retire outstanding obligations of a member Club incurred following the end of the playing season, arising from player pensions, medical premiums and arbitration decisions, and charged against that Club's share of the fund. Prior to the opening of the regular season schedule the fund shall be dissolved and the proceeds distributed to each member Club in an amount determined by its share of the residual balance.

ARTICLE VI - Television

- 6.01 Transmission of the television signal of a game by a transmitter situated within one hundred and twenty kilometers of the city limits of the city in which the game is being played, or within the Province of Saskatchewan in the case of a game played within that Province, shall not be permitted without the unanimous consent of the members unless tickets to attend the game have been sold to the extent of ninety percent of the capacity of the stadium not later than forty-eight hours prior to the advertised start time for the game.
- 6.02 Simultaneous exhibition of the television signal of a game by closed circuit within one hundred and twenty kilometers of the city limits of the city in which the game is being played shall not be permitted unless with the unanimous consent of the members, except that a member shall be entitled to permit the exhibition of a signal of a home game by closed circuit in the stadium or in the immediate area of the stadium where the game is being played for the viewing by persons who have purchased tickets to attend the game.
- 6.03 Delayed exhibition of the television signal of a game by any means within one hundred and twenty kilometers of the city limits of the city in which the game has been played shall not be permitted within nine hours following the start time of that game or prior to midnight of that day, whichever occurs first, unless with the unanimous consent of the members.
- 6.04 Exhibition of the television signal of a game by any means within one hundred and twenty kilometers of the city limits of a city during the time that another game is being played in that city shall not be permitted unless with the approval of the member within the area of which the signal is proposed to be exhibited.
- 6.05 Exhibition of the television signal of a game by means of pay cable television within fifty six kilometers of the city limits of the city in which the game is being played shall not be permitted unless with the unanimous consent of the members.
- 6.06 The Board of Governors shall, by annual resolution determine:
- (a) which portion of the total rights fee received for conventional television shall be applied to blackout compensation;
 - (b) the base price for a home game blackout lift in any particular blackout area, and
 - (c) the total number of home game blackout lifts to be permitted in a calendar year, on the understanding that if fewer than this number of blackouts are lifted the Compensation Pool will be adjusted accordingly, while if more than the said number are requested the League will have the right to request an increase in the size of the Pool.

ARTICLE VII - Gate Sharing

- 7.01 Each member shall, within 30 days of playing its final game in the regular season schedule, file with the Commissioner a statement, certified by the member's auditor, showing, for each home game in the pre-season schedule and in the regular season schedule, the Club's gross gate and net gate, the deductions from gross gate to determine the net gate, and for the season, the total gross gate and the total net gate.
- 7.02 Forthwith upon receipt of all the statements required to be filed with him under Article 7.01, the Commissioner shall cause to be prepared and certified by the League's auditor a composite statement showing that 90% of the net gate for each game is to be retained by the home Club and 10% of the net gate for that game is payable to the visiting Club, plus the total amount payable by each Club to visiting Clubs and the total amount receivable by each Club for games in which it was the visiting Club, and shall forthwith distribute copies of such composite statement to the members.
- 7.03 Within ten days of the date of distribution of the said statement each Club whose total obligation to the visiting Clubs exceeds the total amount to which it is entitled for games in which it was the visiting Club, shall pay to the League the amount of such excess, up to a maximum of one hundred and twenty-five thousand dollars (\$125,000.00), the aggregate of such payments to the League to be referred to as the Gate Sharing Pool.
- 7.04 As soon as all amounts described in Article 7.03 are received, the League shall pay to each Club whose total entitlement for games in which it was the visiting Club exceeds the total amount of its obligations for games in which it was the home Club, an amount out of the Gate Sharing Pool equal to its pro-rata portion of such pool determined by a numerator equal to the amount of that Club's net entitlement and a denominator equal to the total net entitlements of all Clubs whose visiting Club entitlements exceeded their home Club obligations.
- 7.05 For the purposes of this Article VII "gross gate" shall be the total proceeds from the sale of tickets actually sold or issued for any and all games for which payment has been received or is receivable in cash or in kind.

"Net gate" shall be the gross gate less

- (a) Any and all applicable amounts included in the ticket price and designated as:
 - (i) Goods and Services Tax collected on behalf of the Government of Canada,
 - (ii) Retail Sales Tax collected on behalf of the Government of the Province of Ontario,
 - (iii) Per Capita Seat Tax collected on behalf of the stadium authority up to a maximum of fifty cents per ticket sold,
 - (iv) Any other amount required to be collected on behalf of, and as prescribed by statute of, the jurisdiction in which the game is played, and

July 19, 1999

7.01

- (b) An allowance for rental of the playing facility for each home game not to exceed ten percent (10%) of the gross gate after the deductions in (a)

but without any other deductions whatsoever.

NOTE: By resolution passed April 8, 1999, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 1999 season.

NOTE: By resolution passed June 16, 2000, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 2000 season.

NOTE: By resolution passed April 23, 2001, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 2001 season.

NOTE: By resolution passed May 23, 2002, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 2002 season.

NOTE: By resolution passed June 6, 2003, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 2003 season.

NOTE: By resolution passed April 15, 2004, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 2004 season.

NOTE: By resolution passed April 14, 2005, the League has determined that the provisions of Article VII shall be suspended for the purposes of the 2005 season.

ARTICLE VIII - Board of Governors

- 8.01 Except as otherwise expressly provided in the Constitution or By-Laws the government of the League is vested in the Board of Governors.
- 8.02 The Board of Governors shall be composed of one (1) representative from each club. Each member club may appoint two (2) alternate representatives who will be permitted to attend executive meetings but will not be permitted to speak without authorization from the Chair unless the regular representative is absent in which event an alternate shall have the same authority as the regular representative. Each member Club shall notify the Commissioner in writing each year of the names of its representatives and two alternates and shall further advise the Commissioner in writing of any changes in the representative or alternates during the course of the said year.
- 8.03 At any meeting of the Board of Governors each member of the Board shall have one (1) vote. Each member of the Board of Governors shall have full power to bind the member club so represented.
- 8.04 Each Governor and alternate must be either the owner or holder of an interest in, or a director or officer of, the member club so represented.
- 8.05 In case any vacancy occurs in the Board of Governors it shall be filled by the member club affected by the vacancy.
- 8.06 The Board of Governors is empowered, at any duly constituted meeting, to:
- (a) impose a fine, not to exceed fifty thousand (\$50,000) dollars, on a disciplinary matter referred to it by the Commissioner;
 - (b) Amend the Constitution and By-Laws as herein provided;
 - (c) borrow in the name of the League from any bank or trust company such sum or sums of money as it may from time to time deem necessary or appropriate and to authorize the signing officers to make and deliver in the name of the League a promissory note or notes evidencing any such loan and to pledge as security thereof any stocks, bonds or other securities owned by the League.
 - (d) suspend or remove any officer of the League elected pursuant to the provisions of Article 8.10 and terminate any contract between such officer and the League where, after notice and hearing, it finds that such officer has been convicted of a crime, or is physically or mentally incapacitated from performing the duties of the office held, or has failed or refused to abide by the Constitution and By-laws of the League, or has failed or is unwilling to perform such duties, and that any one of the aforementioned matters is detrimental to the best interest of the League.
 - (e) fill any vacancy occurring between Annual Meetings for any cause whatsoever in any office or committee of the League, other than a vacancy on the Board of Governors or Management Council.
 - (f) fix the salaries or other payments to be made to officers of the League and define and modify their duties.

- (g) appoint Committees of the League and assign to such Committees, with power to delegate, such of its powers and functions as it may by resolution determine.
 - (h) appoint a Chief Operating Officer who shall perform such duties as assigned by the Commissioner.
- 8.07 The Board of Governors shall have the power and duty, which may be delegated pursuant to Article 8.06(g), to investigate and resolve any matter referred to it in writing by the Commissioner or any member club.
- 8.08 Any action by the Board of Governors shall be by resolution passed by the affirmative vote of the specific number of members hereby required, pursuant to the provisions of this Constitution, for a particular action. Any resolution agreed to by telephone facsimile or letter shall have the same effect as if duly passed at a regularly constituted meeting by the proper majority required to pass such resolution.
- 8.09 The Board of Governors may from time to time adopt, amend and repeal such By-Laws, not inconsistent with the Constitution, as it may deem necessary or expedient and the By-Laws of the League in effect upon the adoption of this Constitution shall continue in full force and effect as if adopted hereunder.
- 8.10 The Board of Governors may elect from its own members a Chairman, or may appoint a Chairman not associated with a member club, who shall preside at all meetings of the Board of Governors.
- 8.11 The Board of Governors shall elect from its own members a Vice-Chairman.
- 8.12 In the event of the death, resignation or removal from office of the Commissioner, the Chairman shall succeed to the office of Commissioner provided that while as Commissioner the provisions of Articles 11.03 and 11.12 shall not apply and the powers under Article XI shall be exercised under the direction of a committee of three appointed by the Board of Governors within fourteen (14) days of the death, resignation or removal from office of the Commissioner.
- 8.13 The Vice-Chairman shall be elected for a term of one (1) year and shall have the powers and perform the duties of the Chairman in the event of the Chairman's inability to act. In the event of the death, resignation or removal from office of the Chairman, the Vice-Chairman shall succeed to the office of Chairman.
- 8.14 On the recommendation of the Commissioner, the Board of Governors shall appoint a Secretary and a Treasurer of the League. The offices of Secretary and Treasurer may be held by the same person, and in either case be accountable to the Commissioner in the performance of such duties.
- 8.15 The Secretary shall:
- (a) be appointed for a term of not less than one (1) nor more than three (3) years;
 - (b) keep records of meetings of the League and its committees
 - (c) attend all League and committee meetings when required but have no vote;

- (d) perform such other duties as may be assigned by the Commissioner;
- (e) have no financial interest, direct or indirect, in any professional football club.

8.16 The Treasurer shall:

- (a) be appointed for a term of not less than one (1) nor more than three (3) years;
- (b) be the custodian of all moneys belonging to the League and shall deposit them in the name and to the credit of the League;
- (c) present to the League at each Annual Meeting an audited statement of all income and expenses and a balance sheet showing the financial condition of the League, and shall, whenever else required by the Board of Governors, present to it an account of all financial transactions of the League;
- (d) present to the League at each Grey Cup Meeting a budget for the ensuing year which shall first have been approved by the Commissioner;
- (e) pay all accounts of the League after approval by the Commissioner;
- (f) perform such other duties as may be assigned by the Commissioner;
- (g) have no financial interest, direct or indirect, in any professional football club.

8.17 It shall be a condition of the Treasurer's election and continued tenure of office that, at the League's expense, a fidelity bond in form acceptable to the Commissioner shall be obtained and kept in force in favour of the League in the sum of One Hundred Thousand (\$100,000) Dollars.

8.18 The Chairman, Vice-Chairman, Chief Operating Officer, Secretary or Treasurer and their heirs, executors and administrators, and estate and effects, respectively shall from time to time and at all times, be indemnified and saved harmless out of the funds of the League, which failing, out of the funds of the Clubs, from and against

- (a) all costs, charges and expenses whatsoever which they respectively sustain, or incur in or about any action, suit or proceeding which is brought commenced or prosecuted against them, for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by them in or about the execution of the duties of their respective offices or in respect of any such liability;
- (b) all other costs, charges and expenses which they respectively sustain, or incur in or about or in relation to the affairs of the League, except such costs, charges or expenses as are respectively occasioned by their own willful neglect or default.

8.19 A meeting of the Board of Governors shall constitute a meeting of the League.

- 8.20 The Board of Governors shall meet not later than April 15 in any year, at a time and place to be chose by the Chairman, which meeting is designated the Annual Meeting.
- 8.21 The Chairman or, in absence or incapacity of the Chairman, the Vice-Chairman may convene a meeting of the League at any time and shall convene such meeting on the written request of the Commissioner or of four (4) or more members of the Board of Governors.
- 8.22 Notice calling a meeting shall be sent by the Secretary to all representatives and alternates of the Board of Governors, Chairman, Vice-Chairman, Commissioner, Treasurer and to the President of each member Club. Such notice shall also specify the time and place of the meeting and shall be dispatched by mail at least twenty days prior to the date fixed for the meeting. An agenda shall be forwarded to the same persons not later than ten (10) days prior to the date fixed for the meeting.
- 8.23 The Annual Meeting shall:
- (a) Receive the reports of the Chairman, the Commissioner, the Treasurer, the Auditor and the Committees;
 - (b) Elect the Chairman and the Vice-Chairman for the ensuing year;
 - (c) Appoint an Auditor, a Secretary and a Treasurer;
 - (d) Appoint Committees;
 - (e) Conduct such other business as may be placed on its agenda by the Chairman, the Commissioner, the Treasurer or any member club.
- 8.24 At any meeting of the League, the following shall be the order of business:
- (a) Minutes of preceding meeting
 - (b) Unfinished business
 - (c) Applications for membership
 - (d) Report
 - (e) Communications
 - (f) New Business
 - (g) Elections
 - (h) Appointments
 - (i) Adjournment

- 8.25 A quorum for any League meeting shall be at least seventy-five percent (75%) of the Board of Governors. If within one-half (1/2) hour of the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the next day at the same time and place and the Secretary shall, by telegram, so notify the absent members of the Board of Governors and the President of each member club represented by an absent member and if, within one-half (1/2) hour of the time appointed for the adjourned meeting a quorum is not otherwise present, the members present shall constitute a quorum.
- 8.26 The Constitution and By-laws except as herein provided may be amended at any League meeting provided that notice of the proposed amendments has been sent to the Secretary at least fifteen (15) days prior to the date fixed for the meeting. The Secretary shall include copies of such notices with the agenda distributed pursuant to Article 8.22.
- 8.27 (a) Articles 4.01, 4.02, 4.03, 4.04, 4.05 and 4.06 of Article IV, Article 8.27 of Article VIII and Article XIV shall be amended only by a resolution passed by the affirmative vote of all members of the Board of Governors at a meeting duly called for the purpose of considering such amendment(s), the notice calling such meeting having stated the intention that an amendment to such Article(s) be proposed and acted upon.
- (b) Any other amendment of the Constitution shall be effected only by a resolution passed by the affirmative vote of not less than seventy-five percent (75%) of all the members of the Board of Governors voting at a meeting duly called for the purpose of considering such amendment.
- (c) Unless otherwise herein expressly provided, any matter arising for decision by the Board of Governors shall be decided by the affirmative vote of not less than sixty-six and two thirds percent (66 2/3%) of the members voting at a duly constituted meeting.
- 8.28 The Chairman of a meeting of the Board of Governors shall not have a casting vote in the capacity of Chairman.
- 8.29 This Constitution may be suspended by a unanimous vote of the Board of Governors.

ARTICLE IX - Management Council

- 9.01 The Management Council shall be responsible for the operation of the League pursuant to the By-laws and Regulations.
- 9.02 The Management Council shall be composed of one representative from each member Club. Each member Club may appoint a reasonable number of alternates in addition to its representative. Only one representative of a member Club will be permitted to attend any meeting of the Management Council. Each member Club shall notify the Commissioner in Council prior to the second Thursday in February each year the names of its representative and alternates to serve the period commencing immediately after the Annual Meeting that year and ending immediately after the Annual Meeting the following year. A member Club may change its representative or add to or remove its alternates at any time by notice in writing to the Commissioner.
- 9.03 At any meeting of the Management Council each member shall have one vote. Each member shall have full power to bind the member club he represents in connection with all items coming within the jurisdiction of the Management Council.
- 9.04 A quorum for any meeting of the Management Council shall be at least ten (10) members. If within one-half (1/2) hour of the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the next day at the same time and place and the Commissioner shall, by telegram so notify the absent representatives of the Management Council and the President of each member club represented by an absent representative and if, within one-half (1/2) hour of the time appointed for the adjourned meeting a quorum is not otherwise present, the representatives present shall constitute a quorum.
- 9.05 The Commissioner shall be the chairman of the Management Council and will be responsible for and provide a method of proper recording of the minutes of meetings.
- 9.06 A meeting of the Management Council shall be convened at the call of the Commissioner or on the written request of the Chairman of the Board of Governors or on the written request of four (4) or more members of the Management Council. Notice calling all meetings shall be sent to the members at least fifteen (15) days prior to the date fixed for such meeting with an agenda identifying the items to be discussed.
- 9.07 Any matter decided by the Management Council will be carried on the basis of a sixty-six and two thirds percent (66 2/3%) vote, including adoption, amendment or repeal of a By-law or Regulation except that:
- (a) an amendment to paragraphs 1, 2, 3 or 4 of Section 8 of the By-laws, or
 - (b) a determination pursuant to paragraph 1(b) of Section 8 of the By-laws, or
 - (c) a resolution requiring a financial commitment in excess of \$25,000 per member Club for a single expenditure, or

- (d) a resolution which increases the collective financial commitments by all member Clubs in a single calendar year to an amount in excess of \$300,000

shall require the approval of the Board of Governors, which may accept or reject the amendment, or determination, or resolution, in whole or in part. Amendment or repeal of the By-Laws or Regulations will not be effective if inconsistent with the Constitution.

- 9.08 Any resolution presented for action at a duly constituted meeting of the Management Council must be properly presented to the Commissioner and circulated to the member clubs fifteen (15) days in advance of such meeting.
- 9.09 The Commissioner may submit resolutions on behalf of the Commissioner's office at any duly constituted meeting of the Management Council and may have in attendance staff members or outside consultants to speak in support of such resolutions.
- 9.10 The Commissioner may authorize member clubs the use of staff members or outside consultants to support specific resolutions at properly constituted meetings of the Management Council.
- 9.11 Staff members and outside consultants permitted to attend meetings of the Management Council pursuant to Articles 9.09 and 9.10 above will only be permitted to be present during the periods in which the resolutions on which they are to speak are being discussed by the Management Council.
- 9.12 Any resolution unanimously agreed to by telephone, telegram, telex or letter shall have the same effect as if duly passed at a properly constituted meeting by the proper majority required to pass such resolution.
- 9.13 With a seventy-five percent (75%) vote the Management Council can petition the Board of Governors to amend the Constitution. Amendment of the Constitution under such circumstances is not obligatory upon the Board of Governors.

ARTICLE X - Committees

- 10.01 Any committee appointed by either the Board of Governors or the Management Council may, at the request of the members of either the Eastern or Western Division, consist of an equal number of members from each Division.
- 10.02 A committee shall select a Chairman from its members.
- 10.03 At a meeting of any such committee, except the Rules Committee, a member shall have one vote, including the Chairman, but the Chairman shall have no casting vote.
- 10.04 Subject to the provisions of Article 8.27 of Article VIII of the Constitution a majority vote shall decide any question or matter arising for decision and, in the event of a tie vote, the question or matter under discussion shall be referred back to the Board of Governors or the Management Council, whichever appointed the committee, for decision, except in the case of the Rules Committee where, in the event of a tie vote, the rule under consideration shall remain as it was prior to the vote being taken.
- 10.05 Minutes of each Committee shall be expeditiously circulated to member Clubs, the League's Chairman, Vice-Chairman and Commissioner as well as to Committee members.

ARTICLE XI - The Commissioner

- 11.01 The Board of Governors shall, by the affirmative vote of not less than seventy-five percent (75%) of the members voting select and employ a person of unquestioned integrity to serve as Commissioner of the League for a term of not less than one nor more than ten years and shall determine the term and compensation of employment.
- 11.02 The Commissioner shall be Chief Executive Officer of the League and discharge all duties imposed by this Constitution and the By-laws, or as may be required by the Board of Governors from time to time, and shall formulate for presentation to the Board of Governors or the Management Council policies and plans for the benefit of football in general, and the League in particular, upon the initiative of the Commissioner's office or under direction of the Board of Governors or the Management Council, and in addition, shall have the right to propose an amendment or modification to the Constitution of the League by submitting the same in writing to the Board of Governors, not later than fifteen (15) days prior to the date fixed for a meeting of the Board of Governors, and furthermore, shall have the right to propose an amendment or modification to the By-laws of the League by submitting the same in writing to the Management Council not later than fifteen (15) days prior to the date fixed for a meeting of the Management Council.
- 11.03 The Commissioner shall attend all League Meetings and be an ex officio member of all League Committees but shall have no vote.
- 11.04 The Commissioner shall be responsible for:
- (a) The registration of all contracts, assignments or other documents respecting the right of members to the services of players, and shall have charge of the operation, general supervision and direction of the League's negotiation and draft lists, waiver procedures and all other roster matters;
 - (b) The selection, training, supervision and discipline of all game officials, including statisticians, timekeepers and public address announcers, both on and off the field, and for the discipline and deportment of players, coaches, employees, officials and team executives in the conduct of all games, whether on the field, in the dressing rooms or in any public place where their conduct, in the opinion of the Commissioner, brings disrepute to the League or the game of football.
 - (c) The dissemination of information on League policies and practices, and may delegate to others the responsibility for release of details on performance statistics, player personnel matters and general business of the League. The release of confidential information by any unauthorized person shall be subject to discipline pursuant to Articles 8.06 (a) and 11.06 of this Constitution.
- 11.05 The Commissioner shall hear and finally decide any dispute between member Clubs over the contracts or other claims for the service of players, and any dispute between member Clubs which may be referred by one or more of the disputing parties.
- 11.06 For the maintenance of discipline the Commissioner shall have the power to fine in an amount not exceeding twenty-five thousand dollars (\$25,000), suspend, or fine and suspend any player, coach, employee, official or team executive for breach of any requirement of the Constitution, By-laws, Regulations or any proper orders. In the case of a suspension, the person suspended may, within ten days, request in writing a hearing which will be held within seven days of such request, after which the Commissioner may vary the term of suspension as deemed proper.

- 11.07 For the maintenance of discipline the Commissioner shall have the power to fine, in an amount not exceeding twenty-five thousand dollars (\$25,000), a member Club for breach of any requirement of the Constitution, By-laws, Regulations or any proper orders, for failure to file complete documentation relating to compensation payable to a player under contract, or for failure to have a delegate attend any duly called meeting of the Board of Governors or Management Council.
- 11.08 If the Commissioner, after notice and hearing, determines that a person employed by or connected with the League or a member Club has bet money or any other thing of value on the outcome or score of any game or games played in the League, including inter squad or exhibition games, or has had knowledge of or has received an offer, directly or indirectly, to control, fix or bet money or any other thing of value on the outcome or the score of any such game or games and has failed to report the same promptly in writing to the Commissioner, the Commissioner may impose any or all of the following penalties:
- (a) suspend such person for a specific or indefinite period or for life;
 - (b) cancel such person's contract with the League or any member Club;
 - (c) order the sale by such person of shares or other interest in any member Club and pending such sale appoint a trustee to exercise such person's rights in respect thereof;
 - (d) impose a fine not exceeding the sum of Five Thousand (\$5,000) dollars.
- 11.09 The Commissioner shall have the authority to remit any fine or suspend any sentence imposed under this Article XI.
- 11.10 The Commissioner shall have the power and authority to issue orders and memoranda in connection with any and all matters within the responsibility of the Commissioner's office, the provision of which orders and memoranda shall be binding on all Clubs, their players, coaches, employees, officers and executives unless altered or terminated by the next meeting of the Board of Governors.
- 11.11 If it is determined that any action requiring discipline involves a penalty greater than the maximum that the Commissioner is permitted to impose, the matter may be referred to the Board of Governors.
- 11.12 The Commissioner shall have no financial interest, direct or indirect, in any professional football club.
- 11.13 The Commissioner shall at the annual meeting establish a date before which the next succeeding year's schedule of games to be played in the regular season shall have been settled by the Management Council and is empowered to determine all matters relating to the schedule which are not resolved at that date and finally to decide the schedule.
- 11.14 The Divisional Playoff Games and the Grey Cup Game shall be played under the supervision and control of the Commissioner who shall decide all questions arising in connection with the Game which are not specifically provided for in the Constitution, By-laws or playing rules.

- 11.15 The Commissioner may, on behalf of the League, incur any expense which is judged necessary to conduct the ordinary business of the League within the budget voted by the Board of Governors, including the leasing of office space and the employment of staff and professional services but shall not however incur any extraordinary or capital expenditures without the specific prior approval of the Board of Governors.
- 11.16 The Commissioner shall be responsible for the marketing of all rights vested in the League by the Clubs from time to time.
- 11.17 Other than as elsewhere in this Constitution provided, all documents purporting to be documents executed for and on behalf of the League and purporting to be agreements binding upon the League shall be executed by the Commissioner.
- 11.18 The Commissioner and the heirs, executors and administrators and estate, respectively, of the Commissioner shall from time to time and at all times, be indemnified and saved harmless out of the funds of the League, which failing, out of the funds of the Clubs, from and against:
- (a) all costs, charges, and expenses whatsoever which the Commissioner sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against the Commissioner, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted, in or about the execution of the duties of the office of Commissioner or in respect of any such liability;
 - (b) all other costs, charges, and expenses which are sustained or incurred in or about or in relation to the affairs of the League, except such costs, charges or expenses as are occasioned by willful neglect or default.
- 11.19 For the purpose of monitoring the financial stability of a member the Commissioner may, from time to time, request the member to file with the Commissioner's office, in a form and style satisfactory to the Commissioner, financial statements covering all aspects of the member's operations and furthermore may, by formal notification to the member, establish a deadline by which such statements must be filed.

ARTICLE XII - Championship Games

A. Divisional

12.01 The Board of Governors shall establish the format of the Divisional Championship Games including the basis on which the sites, dates, starting times and ticket prices are determined. The playoff arrangement in each division shall be as follows:

- (a) the third place team in each Division shall play in the semi-final game at the home of the second place team in that Division.
- (b) the semi-final winner shall play in the Divisional Championship Game at the home of the first place team in that Division.

Notwithstanding paragraph (a), in the event that at the conclusion of the regular season schedule the fourth place team in one Division has a higher points standing than the third place team in the other Division, such fourth place team shall replace the said third place team in the other Division semi final game."

12.02 Each Divisional Championship Game shall be promoted, conducted and staged by the home Club under the supervision and control of the Commissioner. The net revenue from any and all such games shall be for the account of the League and shall be pooled and distributed by the League among the members in the same proportions as provided for distribution of Grey Cup net revenue in Article 5.04 of Article V of this Constitution. For the purposes of this Article 12.01 "net revenue" shall be computed by deducting from all receipts from the sale of tickets the expense of any and all direct taxes, stadium rental, half-time entertainment, game officials, player salaries, team travel and other expenses as approved by the Management Council from time to time.

12.03 Receipts from the grant of rights to produce and distribute the sale of game programs and from the grant of rights to broadcast the game by radio shall be for the account of the Home Club.

B. Grey Cup

12.04 The League Championship (Grey Cup Game) shall be determined annually in a single game to be played on the last Sunday in November, or such other date as the Board of Governors may decide, at the venue to be selected by the Board of Governors, between the playoff winners of the Eastern Division and the Western Division.

12.05 The Board of Governors shall, not later than the Semi-Annual Meeting in the year, determine the prices to be charged for tickets to the League Championship Game for that year.

ARTICLE XIII - The Schedule

- 13.01 The regular season schedule shall be determined pursuant to Article 11.13 of this Constitution in the calendar year preceding the year in which the games are to be played, in accordance with the following guidelines.
- (a) The regular season shall commence not earlier than the 22nd week preceding the established date for the Championship Game and shall conclude not later than the 21st day preceding the Championship Game.
 - (b) Not later than September 1 in the calendar year preceding the schedule year each Member Club shall inform the Commissioner which dates, if any, are not available for a game in its home stadium, and shall further advise which dates are most preferred for its home games.
 - (c) The Commissioner shall prepare, or cause to be prepared not later than October 15, a draft schedule of games to be played by each Member Club and shall distribute a copy of the total schedule to each Member Club for its comments.
 - (d) The Commissioner shall make the final determination after review of Club comments on each such draft so distributed.
- 13.02 Once the schedule has been determined the date of a game may be changed only by the Commissioner on appeal from a member Club. The Commissioner shall take into consideration the reasons for the request, the length of time since the schedule was determined, and the views of the other competing Club and of any other party with whom the League has entered into agreement based on the final schedule, before forthwith deciding the matter, which decision shall be final.
- 13.03 Each member Club shall play not less than eight (8) home games during its regular season schedule, and shall play not less than one home game and one away game against each of the other member Clubs.
- 13.04 Any change in the number of home games to be played by each member Club, or in the number of games to be played against each of the other member Clubs, shall be effected only by the affirmative vote of not less than seventy five percent (75%) of the members voting thereon .
- 13.05 The Board of Governors shall cause a schedule of pre-season games to be prepared under the direction of the Commissioner. The Commissioner may establish a date by which such schedule shall be settled and is empowered to determine all matters not settled on that date and to finally determine the schedule of pre-season games.
- 13.06 In the pre-season schedule for any given year, each Club of the League shall play one pre-season game at home and one pre-season game away that year, it being understood that participation by a Club or by any player members of a Club in an All Star game or games does not constitute a pre-season game.
- 13.07 Each home Club shall include in its season ticket package the ticket for one pre-season game per ticket at a price not less than 80% of the regular season single game price.

ARTICLE XIV - Club Autonomy

- 14.01 Subject only to the provisions of this Constitution and the By-laws each member shall be and remain autonomous.
- 14.02 Each member shall retain its own property rights including but not limited to property rights in radio broadcasting and game films, with respect to home and away games, and game program production and sale with respect to home games, including in all instances pre-season, regular League and Division Playoff Games and its property rights in industrial property.

ARTICLE XV - Rules Committee

15.01 The Rules Committee shall be appointed annually by the Board of Governors and shall consist of the following voting members:

- (a) one member recommended by each member Club, and
- (b) two members recommended by the Commissioner from the Officiating Supervisory staff, and
- (c) one member recommended by the Canadian Football League Players' Association.

In the event of the resignation or inability to serve of any member the Board of Governors shall appoint a replacement from among the member Clubs, if such replacement is required under the provisions of paragraph (a) of this Article 15.01, or upon the recommendation of the Commissioner if under the provisions of paragraph (b) of this Article 15.01, or upon the recommendation of the Canadian Football League Players' Association if under the provisions of paragraph (c) of this Article 15.01.

15.02 A quorum shall consist of 75% of the voting members.

15.03 The Commissioner shall be the Chairman of the Rules Committee but shall have no vote.

15.04 The Secretary of the Rules Committee shall be appointed by the Board of Governors, shall attend all meetings, take minutes, and distribute same to the Rules Committee members but shall have no vote.

15.05 (a) The Rules Committee shall annually recommend to the Board of Governors the playing rules of the League and shall meet sufficiently in advance of the Annual Meeting to permit preparation of its recommendations for alterations or revisions of the existing rules and/or the adoption of new rules, if any, for the consideration of the Board of Governors at the Annual Meeting, provided however that any consideration of proposed rule changes by the Board of Governors will be subject at all times to the provisions of Article 15.05 (b).

(b) At any Annual Meeting of the Canadian Football League, any proposed change to any of the following rules shall be deemed to have been rejected by the Board of Governors in the event that any two or more members vote against the proposal:

- (i) Number of downs available to make a first down (3).
- (ii) Length and width of playing field (110 x 65 yards) and 20 yard end zones.
- (iii) Number of Players eligible to be on field (12).
- (iv) Unlimited motion in Offensive Backfield.
- (v) Safety Touch.

- (vi) "No Yards" rule, in that on a kick from scrimmage or an open field kick, the ball must be played and the kicking team must allow the receiving player five yards in which to play the ball.
- (vii) One Yard restraining zone at the line of scrimmage.
- (viii) Single Point in the event the ball becomes dead in the end zone following a kick into the end zone including an unsuccessful field goal.
- (ix) Game Timing Rules, in particular, the provision that time in a period cannot expire between plays.

15.06 At any meeting of the Committee, each of the Members shall have one vote. A majority vote shall decide any question or matter arising for decision. In the event of a tie vote, the rule under consideration shall remain as it previously existed, unchanged, and no recommendation shall be made to the Board of Governors.

15.07 Upon election to membership on the Committee, a member shall be free to vote in accordance with that member's personal conviction resulting from a discussion by the Committee of the question or matters under consideration.

15.08 The agenda for the meeting of the Rules Committee shall be determined as follows:

- (a) On or before October 15th, the Commissioner as Chairman, shall ask each member Club and Rules committee member for recommendations on rule clarifications, changes or innovations.
- (b) Such recommendations, if any, shall be forwarded by the Clubs and Rules Committee members to the commissioner on or before November 15th.
- (c) All recommendations so received shall be distributed as soon as possible to the Clubs and Rules Committee members by the Commissioner with a request that the Clubs and members consider and forward to the Commissioner any comments on the recommendations.
- (d) A recommendation for a change in a playing rule which was rejected by the Rules Committee in the previous year cannot be considered again without the support of three voting members.

ARTICLE XVI - Competitive Expenditures

- 16.01 The Board of Governors shall, by annual resolution, establish
- (a) the maximum amounts which a member Club may expend in a calendar year on account of Competitive Expenditures, as defined in Articles 16.02 and 16.03, such maximum amounts to be expressed in Canadian currency, and
 - (b) a schedule of monetary and non-monetary penalties, as described in Article 16.07, to be assessed at the discretion of the Commissioner against a member Club which failed to maintain its Competitive Expenditures within the maximums prescribed for the year.
- 16.02 Competitive Expenditures for a calendar year on account of players shall include the total cost of player salaries, signing bonuses, conditional bonuses, performance bonuses and other benefits in cash or kind earned directly or indirectly, during the calendar year in respect of amounts stipulated in Standard Player Contracts, or in supplementary agreements, whether actually paid in the current year or prior year or future years, including payments to players named on the Injured Players List and Disabled List and allowances and expenses for players named on the Non-Active List during the season, but not including playoff or Grey Cup compensation to the extent that the Club has been reimbursed by the League.
- 16.03 Competitive Expenditures for a calendar year on account of non-players shall include salaries and bonus payments and allowances in cash or in kind earned by coaches and other persons principally involved in player personnel management during the calendar year whether or not actually paid during that year, but not including the costs for guest coaches at training camp. In the event that a person's contract of employment includes duties other than player personnel management, the Commissioner shall have sole discretion to determine the extent to which the compensation earned by that person is not properly attributable to player personnel management.
- 16.04 For the purposes of enforcement a Member Club shall be required upon request to make its Competitive Expenditure information available to the Commissioner on a game by game basis in a manner to be prescribed by the Commissioner in order to determine:
- (a) the overall compensation paid to any person, encompassed within Articles 16.02 and 16.03, for the season including all benefits, payments, gifts, free services, travel and items or services of value provided to that person;
 - (b) the schedule upon which the total amount is to be paid during the course of the calendar year;
 - (c) how the total of all such payments to all persons referred to in Articles 16.02 and 16.03 affect the Competitive Expenditures for the calendar year.
- 16.05 Not later than 48 hours prior to the 6th, 12th and 18th regular season game to be played by a Member Club in a season, the Member Club shall submit to the Commissioner a summary of the compensation paid to all persons pursuant to Articles 16.02 and 16.03 for the immediately preceding regular season games and for the year to date.

16.06 In the event that a Member Club is found to have failed to comply with the provisions of this Article the Commissioner shall issue a Notice of Non-Compliance to the Member Club together with information in support of such findings. Not later than 24 hours following receipt of said Notice, the Member Club may, if it disagrees with the findings, file with the Commissioner an appeal setting out the reason why it should not be found in non-compliance. Such appeal shall be considered and dealt with in the sole discretion of the Commissioner.

16.07 The Commissioner shall have discretion to assess penalties as follows against a Member Club which failed to maintain its Competitive Expenditures within the maximum prescribed for the year:

(a) Monetary Penalties

- (1) A fine in an amount up to 100% of the amount by which its Competitive Expenditures exceeded the prescribed maximum, if such excess is not greater than \$75,000, or
- (2) A fine in an amount up to 200% of the amount of the excess, if such excess is not greater than \$150,000, or
- (3) A fine in an amount up to 300% of the amount by which its Competitive Expenditures exceeded the prescribed maximum.

(b) Non-Monetary Penalties

- (4) The forfeiture of rights to name players on its negotiation list as follows:
 - for any excess not greater than \$10,000 the loss of rights to name one player for a period of 365 days.
 - for any excess greater than \$10,000 but not greater than \$20,000 the loss of rights to name a second player for a period of 365 days;
 - and so on for each \$10,000, or part thereof, in excess of the maximum the loss of rights to name another player until there are no remaining rights to name players on the negotiation list.
- (5) The forfeiture of some or all rights to participate in the annual Canadian College Draft.
- (6) Such further penalties and other sanctions as the Commissioner may deem appropriate including those instances where a Member Club has been issued a Notice of Non-Compliance pursuant to Article 16.06 and has failed to take the necessary steps to remedy the non-compliance.

- 16.08 In the event that a Member Club is found to have filed with or made available to the Commissioner information respecting its Competitive Expenditures that is materially false, misleading or incomplete, the Commissioner may deem the Member Club to be in default of this Article and impose the penalties prescribed in Article 16.07.
- 16.09 In the event that a Member Club has been required to pay a monetary penalty, pursuant to Article 16.07, it shall pay the Commissioner forthwith, failing which the moneys may be withheld by the Commissioner from that Club's share of League revenues to which it would otherwise have been entitled. The moneys so received or withheld by the Commissioner shall be redistributed equally among those Member Clubs which maintained their respective Competitive Expenditures within the prescribed maximum.