



## Expansion Team Player Acquisition Rules

The following are the Expansion Team Player Acquisition Rules (“Expansion Rules”) for the Utah Royals (Team 13) and Bay FC (Team 14) to build their initial season rosters. With the exception of the Expansion Rules set forth in this document, the Expansion Teams are otherwise subject to the Competition Guidelines and any other League Rules.

### 1. Definitions.

- A. Team. A “Team” is a professional soccer team which currently plays in the NWSL: Angel City FC, Chicago Red Stars, Houston Dash, Kansas City Current, NJ/NY Gotham FC, North Carolina Courage, OL Reign, Orlando Pride, Portland Thorns FC, Racing Louisville FC, San Diego Wave FC and Washington Spirit.
- B. Expansion Team. The “Expansion Teams” are the Utah Royals and Bay FC, which will participate in the NWSL competition beginning with the 2024 season.
- C. Player. A “Player” is any individual who is:
  - i. Currently under contract with the NWSL and is included on a Team’s Senior Roster, Supplemental Roster, 45-Day Injury List, or Season Ending Injury list;
  - ii. On Player Elected or Mental Health Leave from a Team;
  - iii. Currently under contract with the NWSL, but is on loan to a club outside the NWSL;
  - iv. Under contract with the NWSL for all or part of the 2024 NWSL season;
  - v. Currently not under contract with the NWSL, but whose rights to play in the NWSL are controlled by a Team for any reason, excluding Discovery. For purposes of clarity, this includes (but is not limited to):
    - 1. Rights acquired by a Team via waivers for individuals who are out of contract;
    - 2. Individuals whose rights were acquired through the NWSL Draft, and are not under contract, but whose rights are still controlled by a Team (including individuals who may be under contract with a club outside the NWSL);
    - 3. Individuals who have retired, but whose rights are still controlled by a Team.
    - 4. Individuals who have received a bona fide offer from a Team, but have declined the offer, resulting in the Team’s holding the individual’s rights.

Note: Individuals on a Team’s Discovery List who have yet to receive an offer from a Team or who have received an offer but have not accepted the offer are not eligible to be selected in the Expansion Draft and should not be included on a Team’s Protected/Unprotected List.



## 2. Free Agency

- A. Unsigned Unrestricted Free Agents (UFA) and Restricted Free Agents (RFA) are not eligible to be selected as part of the Expansion Draft.
- B. The Expansion Teams will have the same access to NWSL Free Agents as all other NWSL Teams, and the End of Season Process timeline (below) provides a window for all Teams to have the opportunity to make offers to and sign UFAs and RFAs prior to the Expansion Draft.
- C. If UFAs or RFAs are re-signed by their Existing Teams or Signed by New Teams prior to the Expansion Draft, Teams must choose if the Player is to be protected or exposed in the Expansion Draft (e.g., if a Team signs a UFA or RFA and does not protect the player, then such player may be selected by an Expansion Team)

## 3. Timeline. The Expansion Rules will utilize the following timeline:

June 28, 2023	Expansion Teams may begin Discovering players
June 28, 2023 (Secondary transfer window opens)	Expansion Team asset selection process conducted Expansion Teams placed at top of Discovery Ranking Order Expansion Teams may begin conducting player transactions
July 25, 2023 (Secondary transfer window closes)	Transfer Window closes / Trade Window closes
September 22, 2023	Roster Freeze / All Teams may negotiate with Free Agents Option Exercise Date for Players who were under contract prior to the start of the CBA (February 1, 2022)
November 13, 2023	Expansion Teams placed at top of Waiver Distribution Ranking Orders (All post season waiver claims will be held until this date)
November 19, 2023	Trade/Waiver Window Closes
November 20, 2023	Free Agents can sign with new Teams
November 22, 2023	End-Of-Season Waiver Wire Concludes
December 12, 2023	9am EST Transaction Moratorium 2pm EST Protected List Deadline (Protected Lists Due from All Teams)* 8pm EST Protected/Unprotected Lists Distributed to All Teams
December 15, 2023	Expansion Draft
December 16, 2023	9am EST Transaction Moratorium Ends

\*Any Team failing to submit their Protected/Unprotected List by the deadline, will not be allowed to protect any Players.

## 4. Asset Selection Process.

- A. Expansion Assets. The following expansion assets (“Expansion Assets”) will be available to the Expansion Teams:
  - i. Expansion Draft (See Section 4C)
    - The Expansion Team with priority, as determined by Order of Selection (See Section 4B), will receive the 1<sup>st</sup> selection then all remaining selections will alternate.



ii. Priority Selection in the 2024 NWSL Draft

- The Expansion Team with priority will receive the 1<sup>st</sup> selection in Rounds 1 and 3, and 2<sup>nd</sup> selection in Rounds 2 and 4. The other Expansion Team will receive the 1<sup>st</sup> selection in Rounds 2 and 4, and 2<sup>nd</sup> selection in Rounds 1 and 3.

iii. Waiver Wire Ranking Order Priority

- The Expansion Team with priority will receive the 1<sup>st</sup> ranking in the Waiver Wire Ranking Order. The other Expansion Team will receive the 2<sup>nd</sup> ranking. Once an Expansion Team claims a Player, the Expansion Team will drop to the bottom of the Waiver Ranking Order. If the Waiver Wire Ranking Order Priority is not used prior to the 2024 Roster Compliance Date, then the Waiver Wire Ranking Order will be reset pursuant to NWSL Rules.

iv. Distribution Order Priority

- The Expansion Team with priority will receive the 1<sup>st</sup> ranking in the Distribution Order. The other Expansion Team will receive 2<sup>nd</sup> ranking. Once an Expansion Team uses its Distribution Ranking to select a distribution-eligible individual, it will drop to the bottom of the Distribution Ranking Order.

v. Discovery Ranking Priority

- The Expansion Team with priority will receive the 1<sup>st</sup> ranking in the Discovery Order. The other Expansion Team will receive the 2<sup>nd</sup> ranking. In the event that an Expansion Team initiates a Competing Discovery Request and is granted a Competing Exclusive Period, such Expansion Team will move to the lowest ranking in the Discovery Ranking. If the Discovery Ranking Priority is not used prior to the 2024 Roster Compliance Date, then the Discovery Ranking Order will be reset pursuant to NWSL Rules.

B. Order of Selection. The determination of which Expansion Team receives priority over each Expansion Asset will be initially determined via a random number generator. Whichever Expansion Team's number is selected will receive its choice over the Expansion Asset for which it wishes to receive priority. Thereafter, the other Expansion Team will select the Expansion Asset for which it wishes to receive priority. The selection process will continue until the selection order of all five Expansion Assets is determined. For example, Team 13 has first choice and selects 1<sup>st</sup> pick in NWSL Draft. Team 14 then selects the first pick in the Expansion Draft. Team 13 then selects priority for the next Expansion Asset and Team 14 selects priority for the Expansion Asset thereafter.

C. Expansion Draft. The Expansion Draft will utilize the following processes and procedures:

- i. Protected/Unprotected Status of Players: Except as noted below, Teams must designate all Players as either protected (meaning they are ineligible for selection by the Expansion Teams in the Expansion Draft) or unprotected (meaning they are eligible for selection by the Expansion Teams in the Expansion Draft), according to the following requirements:



- A Team is permitted to initially protect a total of nine (9) Players. All other Players must be unprotected.
- A Team is permitted to protect one (1) additional Player after the first Expansion Team selects a Player from its roster.
- U18 Players are not eligible to be selected in the expansion process; they do **not** occupy a spot as one of the nine (9) protected players.
- Unsigned UFAs and RFAs are not eligible to be selected in the expansion process; they do **not** occupy a spot as one of the nine (9) protected players.
- Individuals on the Discovery List of any Team are not eligible to be selected in the Expansion Draft (meaning that Teams are not required to designate Discovery Players as protected or unprotected).
- Players with a 'No Trade Clause' in their SPA are required to be protected; they **do** occupy a spot as one of the nine (9) protected players (unless a Player wanted to waive the 'No Trade Clause' in their SPA).
- Teams are required to disclose to the League, along with the protected/unprotected designation, any Players who a Team believes will be unavailable to play by January 1, 2024, due to injury, retirement, loan, or any other reason. This information will be shared with the Expansion Teams.

#### ii. Expansion Draft List

- Teams are required to submit lists of their protected/unprotected Players to the League by the Protected List deadline. The League will create a list of all protected/unprotected Players and distribute that list to the Teams and Expansion Teams; the version of the Expansion Draft List provided to the Expansion Teams will also include compensation information and contract terms for all Players eligible for selection in the draft.

#### iii. Expansion Draft Selection Criteria and Limitations

- Each Team may lose no more than two (2) unprotected Players in the Expansion Draft.
- Each Expansion Team may select up to twelve (12) Players.
- Expansion Draft selections may not be traded, but Players selected in the Expansion Draft may be traded following the conclusion of the Expansion Draft.
- Expansion Teams may pass on a selection in any round of the Expansion Draft, thus forfeiting one of their twelve (12) selections.

#### iv. Expansion Draft Process

- The Expansion Draft will be comprised of twelve (12) rounds. The Expansion Teams will alternate picks and each will select one (1) unprotected Player in each round.



- For each round, each Expansion Team will have three (3) minutes to make its selection.
- After each selection is made, the League will verify the eligibility of the selection, confirm that the selection is approved, and publicly announce the selection.
- Each Expansion Team may call up to two (2) 5-minute time-outs during the Expansion Draft. An Expansion Team may not call their two (2) timeouts in succession.
- The League may call any number of time-outs of any length at any time.
- Teams and Expansion Teams are prohibited from making public selection information prior to that information being publicly disseminated by the League.

D. NWSL Draft. The Expansion Teams will receive the first two picks in each round of the 2024 NWSL Draft. The order of selection will be as set pursuant to Section 4.B. above. The remaining teams will receive picks 3 – 14 in each round of the NWSL Draft based on reverse order of the 2023 standings, taking the Championship match into account.

## 6. **Compensation and Assets**

A. Allocation Money. Expansion Teams will have access to Allocation Money as follows:

2023: The same Allocation Money and Salary Cap rules as the existing NWSL teams (\$600,000) plus an additional forty percent (40%) of Allocation Money (\$240,000).

2024: The same Allocation Money and Salary Cap rules as the existing NWSL teams. The full Salary Cap amount and Salary Cap rules of 2024 have not yet been determined.

All Allocation Money and Salary Cap related payments must be fully funded by the Expansion Teams. The Expansion Teams will be able to roll-over any unused 2023 Allocation Money to 2024 consistent with League Rules.

Expansion Teams may begin spending their 2023 Allocation Money on June 28, 2023 (including the right to exercise Discovery Challenges).

B. Transfer Fees. The first Five Hundred Thousand Dollars (\$500,000) of transfer fees paid by Expansion Teams to acquire players until the 2024 Roster Compliance Date will not count against the Expansion Teams' Allocation Money. The Expansion Teams will still be required to fund the transfer fee spend.

This is not a tradable asset and, to avoid circumvention of this rule, the following applies:

- Any player(s) acquired through this mechanism during the 2023 Secondary Transfer Window may not be traded until the 2024 Secondary Transfer Window; and
- Any player(s) acquired through this mechanism during the 2024 Primary Transfer Window may not be traded until the 2024 Secondary Transfer Window provided that the Player was also on the Expansion Team's 2024 roster.



- C. Any additional assets or protections provided to an Expansion Team will not be tradable unless approved by the League.