

## **COLLECTIVE LABOR AGREEMENT**

## **"PROFESSIONAL PLAYERS 2003"**

Between:

- ITALIAN BASKETBALL FEDERATION
- A-LEAGUE BASKETBALL ASSOCIATION
- GIBA-ASSOCIATION OF ITALIAN BASKETBALL PLAYERS

The following collective labour agreement with an outline of the relative standard contract was stipulated based on previous agreements and in accordance with article 4 of law no. 91, of 1981.

### **PRELIMINARY REMARKS**

#### **1. Application and duration of the agreement**

1.1. This agreement regulates economic and normative treatment of work relations between the professional basketball A League sports clubs and the professional basketball players who are (temporarily or otherwise) members of these clubs.

1.2. This agreement will have a duration of three years and will be effective from the 2003/2004 season until the 2005/2006 season, apart from the provisions contained in articles 2, 3.2, 4.1, 5.2 and 20.4 that will be applied as of the 2004/2005 season.

### **ECONOMIC AND UNION RELATIONS**

#### **2. Minimum Remuneration**

2.1. As of the 2004/2005 season, the following minimum remuneration is foreseen:

- 19,000.00 (nineteen thousand) euros for athletes that in the year in which the season begins reach up to 20 years of age;
- 21,000.00 (twenty-one thousand) euros for athletes that in the year in which the season begins reach between 21 and 26 years of age;
- 25,000.00 (twenty-five thousand) euros for all other athletes.

2.2. With contracts is of more than one year at the minimum, the age limits are applied as indicated above.

2.3. Where federal regulations allow considering athletes over the age of nineteen "young league players", minimum remuneration shall be as follows:

- for the young league athlete turning nineteen years old in the year of their first season as a professional player, the contract can have a duration of up to five years whereby the minimum remuneration follows the criteria of the previous two paragraphs;
- for the young league athlete turning twenty years old in the year of their first season as a professional player, the contract can have a duration of up to four years whereby the minimum remuneration will be subject to an increase of 20% of its initial value, for each year of the contract following the first;
- for the young league athlete turning twenty-one years old in the year of their first season as a professional player, the contract can have a duration of up to three years whereby the minimum remuneration will be subject to an increase of 50% of its initial value, for each year of the contract following the first.

2.4. All sums defined in this article will be adjusted to the increase in the cost of living according to the ISTAT index at the beginning of each season following that of 2004/2005.

#### **3. Superannuation Fund**

3.1. Professional players will benefit from the services paid by a suitable "Voluntary Superannuation Fund", according to the provisions foreseen in the statute of the same Fund,

in conformity with and for the purpose of article 4, seventh paragraph, of law no. 91 of the year 1981.

3.2. The fund will be sustained by deposits made by the clubs and the athletes in proportion to the total gross annual sum of remuneration received by the player, with a limit of 60,000.00 (sixty thousand) euros, to be reassessed according to the ISTAT index at the beginning of each season after that of 2003/2004, applying the following rates:

6.25% to be paid by the club;

1.25% to be paid by the athlete.

3.3. The amounts charged to the club should be deposited into the Fund at the same date as the relative accrued income, together with the amount to be deposited by the player, subject to contextual deductions of the accrued income of that period. In cases where the remuneration is superior to the limit stated in point 3.2, the monthly contribution due will be calculated on the entire amount of monthly accrued income, commencing from the first, until achieving the annual limit.

3.4. Any integration due to payment of bonuses will be collected at one time only, no later than July 10, regarding both the amount charged to the club and that to be paid by the player. The part to be paid by the player shall be withheld from the bonus amount.

3.5. For that not foreseen by the present contract, a provision adopted by the management of the Fund governs the collection of the sums for the same Fund.

3.6. Amounts deposited into the Fund in accordance with the terms of this article substitute in every way any performance, indemnity or compensation the athlete has or could have a right to according to article 2120 of the civil code.

#### 4. Mandatory Insurance

4.1. It being understood that the obligations referred to in article 8 of law no. 91 of the year 1981, the insurance cover (INAIL and/or private supplementary insurance) should conform with the current insurance liability limit, which, starting from the 2004/2005 season, will be as follows:

- 150,000.00 (one hundred and fifty thousand) euros in case of death;

- 250,000.00 (two hundred and fifty thousand) euros in case of permanent invalidity, with 5% absolute exemption.

4.2. The insurance liability limits are agreed to be equal for all players holding a professional contract, notwithstanding the value of the individual contracts and must be reassessed according to the ISTAT index at the beginning of each sport season after that of 2004/2005.

4.3. Under no circumstances, not even for brief periods of time or for training, are uninsured players allowed to be utilized.

#### 5. Union Activities

5.1. Subject to agreement with the League as to the date, the clubs must allow players to participate in the annual GIBA meeting.

5.2. Where requested by the athlete, the club is to retain the associative labour sum required of the athlete from the first income payment and therefore obliged to deposit it at the same time to the GIBA, for the amount to be specified by the GIBA. For this reason there will be a suitable delegate that the athletes can endorse with respect to union rights in the individual contract module.

#### 6. Periodic Consultations and Declaration of Intentions

The contracting collective parties pledge to hold periodical consultations at meetings scheduled for this specific purpose to jointly evaluate and solve any problems regarding the application and interpretation of this agreement. Any modifications and additions will also be discussed. For this purpose, a joint committee will be set up consisting of four members; two members nominated by the League and two members nominated by GIBA, that will operate according to the method agreed to by the contracting collective parties.

## 7. Guarantee and Solidarity Fund

7.1. A "Guarantee and Solidarity Fund for professional basketball players" will be established aimed at giving professional athletes a sum of money when their remuneration is not paid to them according to the regulation, hired by professional clubs that have been declared to be in arrears according to the norms of the current federal regulations or that have been declared bankrupt.

7.2. The Guarantee Fund will be fuelled on deposits of equal sums from the League and the Superannuation Fund. Until the amount of 192,000.00 (one hundred and ninety-two thousand) euros has been reached, the League and the Superannuation Fund will each contribute an annual sum of 16,000.00 (sixteen thousand) euros to be deposited at the beginning of each sport season. Once the Guarantee Fund has reached the aforementioned sum of 192,000.00 (one hundred and ninety-two thousand) euros, further deposits can be requested solely to integrate the same Fund, of not more than a maximum annual sum of 16,000.00 (sixteen thousand) euros.

7.3. The financial support referred to in article 7.1 is paid upon the athlete's request should the other claims for support and payment foreseen in the present agreement, result insufficient or non-advantageous, or immediately if the club is declared bankrupt.

7.4. The support payments due to each athlete amounts to a monthly fixed contractual compensation payment of no more than 3,000.00 (three thousand) euros and is paid for a maximum period of three consecutive months.

7.5. Support benefits are paid within the limits of capacity of the Fund at that moment. Regardless of the date of presentation of the individual requests, all members of that club are eligible in equal conditions to the available sum on the date of declaration of arrears or bankruptcy, for the monthly benefit payment(s) until the month in which another club should be declared in arrears or bankrupt; from which time, for the subsequent monthly benefit payment(s), the athletes belonging to the first club declared in arrears or bankrupt are considered equal to those belonging to the latter club declared in arrears or bankrupt; and so on for successive declarations of arrears or bankruptcy, only until the Fund's resources have been exhausted. Regarding the latter hypothesis, the support benefits still owing are paid in the next season, abiding by the limits of the Fund at that time.

7.6. The Fund substitutes the rights of the athlete regarding the respective club and their possible guarantors or those with due cause.

7.7. A suitable regulation of the role of the Guarantee Fund will be prepared and approved by the contracting collective parties within sixty days of entering into the present agreement.

This regulation foresees the administration on behalf of the members of the Retirement Fund as "autonomous managers" of the latter.

## INDIVIDUAL WORKING RELATIONS

### 8. Initiation of the Relations

8.1. The relationship between the athlete and the club is initiated through the stipulation of a contract that for all legal purposes, according to article 4 of law no. 91, 1981, must be drawn up in written form, in five originals (signatures can be carbon copied), using suitable printed forms conforming to the approved form attached to the present agreement.

8.2. Two of the originals are given to the athlete at the drawing up of the contract. Within five days of the drawing up of the contract the club files the other three contract originals at the League's office, which in turn immediately sends one to the Italian Basketball Federation (FIP) and one to the GIBA. The deposited contract establishes the effective conditions of the contract. If the club does not file the contract within the limit provided, the athlete can file the contract at the League's office within 30 days from the stipulation of the contract. If the

contract has not been filed within 30 days it is considered void. The League confirms the filing of the contract by giving the filer an endorsed and dated photocopy.

8.3. All terms not stipulated in the filed contract are null and void for all legal purposes. Any modification or amendment, as well as any termination prior to the natural expiration date, is valid from the day in which the relative written deed is filed at the League's premises according to the terms foreseen in article 8.2. All contract terms that do not meet the provisions of the present agreement are to be considered null and void for all legal purposes.

8.4. The determination of individual or collective bonuses, following the stipulation of the individual contract, must result in the suitable written act, to be filed with the League within fifteen days of the signing of the relative act. The stipulation of collective bonuses is valid and binding even when signed by the club and the team captain.

8.5. In case of any difference, the text of the contract in Italian shall be preferred over any translation into another language.

#### 9. Pre-contractual Negotiations

When conducting negotiations, the club and the athlete, together with possible proxies, must behave cordially and in good faith and according to the values of loyalty and fair play expected within the sport.

#### 10. Duration of the Contract

10.1. The duration of the contractual relationship relates to that of the playing season, that is the period of time between July 1 and June 30 of the next year. The terms of the approved contract are effective as of the date filed with the League.

10.2. The contractual relationship cannot last more than five playing seasons, as foreseen in article 10.4, and expires on June 30 of the last playing seasons for which it has been stipulated.

10.3. Any no-competition clauses or terms limiting the athlete's contractual and professional freedom for the period of time following end of the contract, are forbidden.

10.4. The maximum duration of the professional contract entered into by the "young league" athlete decreases proportionally to the increase in age of the athlete: for the young league athlete that enters into the first contract as a professional in the year in which the age of twenty is reached, the maximum duration can be no more than four years; for the young league athlete that enters into the first contract as a professional in the year in which the age of twenty-one, the maximum duration of the contract can be no more than three years.

#### 11. General Duties of the Club

11.1. The club agrees to assist and maintain the physical state of the athlete, providing equipment suitable for training and an environment consistent with his professional dignity. In any case the player has the right to participate in the training and preparation of the first team, except for the provisions contained in article 27.10 of the present agreement.

11.2. The club is bound to fulfill the duties contained in legislative decree no. 624 of the year 1996 and subsequent modifications and integrations.

#### 12. The Rights of "Young League Players" to Cultural Study and Education

12.1. The club, in line with the requirements of the competitive sporting activity, must facilitate course attendance and the preparation for the examinations that the young league athletes intend to undertake according to their studies or their attainment of a professional qualification.

12.2. The club must furthermore encourage, in harmony with the aspirations of the athletes bound by the contractual relationship, positive initiatives aimed at the improvement of their cultural level.

#### 13. General Duties of the Athlete

13.1. The athlete agrees to provide continuous service as a professional basketball player and employee of the club, participating in games of the Italian A League, Italian Cup, Super Cups,

International Cups, the All Star Game, and other competitions and tournaments according to the seasonal engagements of the club.

13.2. The athlete agrees to provide services in the sphere of an organization of means and personnel provided by the club, assuring formal, complete, and substantial collaboration with the managers, trainers, doctors, and team-mates, and behaving in such a way as to peak both individual and team efficiency. Above all, the athlete must respect all technical instructions and rules given to help reach the competitive goals set for the team.

13.3. The athlete must participate in all of the training sessions and camps at the times and locations specified by the club. The player must be present at the practice sessions of his team-mates even if he is sick or injured, unless otherwise directed by the club's doctor.

13.4. The athlete must maintain, both on and off court, behaviour not only consistent with good citizenship but also in every circumstance based upon fairness, honesty, professionalism, and fair play. The athlete must conform with the specific lifestyle guidelines set by the club. These guidelines must be justified in any case by the objective needs of the professional athletic activities and cannot be damaging to the human and professional dignity of the athlete.

13.5. The athlete is also expected to sign an acceptance agreement and respect the internal norms of behaviour established by the club, a copy of which must be delivered to the athlete. It remains understood that the internal norms can in no way go against the general state and sportive general principles of order or the sanctions in the present agreement or result oppressive or unjustly limit individual freedom.

13.6. In any case, the athlete must abstain from the following:

- damaging acts, declarations or behaviour either towards self or the League;
- disparaging acts, declarations or behaviour towards self or the League;
- acts, declarations or written texts that instigate a lack of respect for the sporting regulations and the League;
- acts, declarations or written texts that suggest in any way the differing of principles of loyalty and good sportsmanship.

13.7. The athlete must furthermore respect the norms of behaviour established by the FIP in their regulations.

#### 14. Health Care

14.1. Under the present contract, or even after its expiry where dealing with consequences of an accident or pathological states resulting from competitive practice during the contractual relationship, all necessary expenses related to medical and pharmaceutical assistance, dental and prosthetic treatments, surgery, and treatment in hospitals or private medical institutions not covered by the national healthcare service must be paid by the club.

14.2. When the athlete does not intend using the healthcare assistance offered by the club, the club must contribute to the payment of the expenses incurred by the athlete to an extent equivalent to the cost that would normally be necessary to ensure qualified assistance. With regard to rehabilitation assistance as a consequence of an accident or surgical procedure, contribution to such expenses will be determined verifying the average costs of three major specialist centres and rehabilitation sites in Italy.

14.3. Before commencing athletic activities, the club must have the athlete undergo a physical medical examination as provided for by laws in effect to ascertain the suitability for competitive practice.

14.4. The club can make the athlete undergo other medical examinations, including specialist tests, according to the requirements of competitive practice. In any case, the check-ups should avoid excessive use of X-rays and should not be invasive.

14.5. The athlete must at all times safeguard his physical and mental well-being by leading a healthy lifestyle consistent with that of a professional athlete. In case of sudden sicknesses,

slight ailments, or injuries, the athlete must notify the club immediately and put himself under the care of the club's medical personnel.

14.6. The athlete must maintain at all times a balanced diet. Furthermore the athlete must meticulously respect the diet prescribed to him and the menus outlined by the club's doctors.

14.7. The use of psychotropic or doping substances, even casually, is strictly forbidden. The list of such substances with relevant updates will be fixed by the club, on the notice board situated in the location where training is held. The GIBA, will in turn make sure the list is circulated among the athletes.

14.8. In cases of disaccord on the type of medical, surgical or rehabilitative treatment to adopt, the club does not intend to accept the athletes therapeutic proposal, otherwise binding, it can request the execution of a collective medical assessment. In such cases, the club must inform the appointment of its assessor via certified mail, inviting the athlete to appoint an assessor within three days by certified mail. The refusal to appoint an assessor results in the automatic reduction of the period referred to in article 24.1 of the present agreement, to six months.

14.9. The body of medical assessors is composed of three members: the first two appointed by the parties as outlined in the previous paragraph and the third, with the role of president, is appointed by common agreement by the parties or by the respective assessors within three days or, in the absence of agreement within the limits specified, by the President of the Tribunal of Bologna. Within five days of the constitution, the body of assessors will establish by majority, the therapeutic proposal most suitable for the health of the athlete. The athlete is expected to collaborate fairly with the body of assessors, undergoing all tests agreed upon for the execution of the appointment; refusal to do so constitutes the failure to fulfil that in conformity with article 26.11 of the present agreement. The remuneration of the assessors is determined according to the norms within article 49 and following Presidential Decree no. 115, of the year 2002 and is given to be the club's responsibility, with the exception of the costs and remuneration of the assessor appointed by the athlete that remains entirely the responsibility of the athlete.

14.10. The club is obliged to accept the decision of the body of assessors. Should the athlete not accept the decision, or fail to observe the therapeutic treatment indicated, the period indicated in article 24.1 of the present agreement will be reduced to six months.

## 15. Clothing

15.1. During practice sessions and competitions, the athlete must wear the uniform supplied by the club in a suitable manner.

15.2. If requested, the athlete must wear the club's uniform when entering and exiting the sports stadium on occasion of competitions, as well as during official events. The uniform must not be utilized for occasions or purposes other than those foreseen.

15.3. The athlete is responsible for all material given to him by the club and is responsible for such material in case of loss or deterioration not resulting from normal use or uncontrollable circumstances.

15.4. Except in specific agreed cases, the athlete must utilize the shoes supplied by the club.

## 16. Relations with the Media

16.1. Although the right to free speech is recognized, the athlete must in no case express opinions or release statements during interviews with the press, television, or radio, that could result to be damaging to the club, the FIP or the League and respective managers, employees, collaborators and members.

16.2. The managers in charge of the club, in the same manner, must not in any case express opinions or release statements to the press that could result to be damaging to the reputation and professionalism of the athlete.

16.3. The athlete, except for serious and founded reasons, cannot refuse to give interviews during sports events and during other occasions organized by the club. In the latter case, the athlete must be given reasonable prior notice.

#### 17. Other Work or Sports Activities

17.1. The athlete cannot engage in any other working or entrepreneurial activity incompatible with competitive sports practice. The athlete must notify the club in writing of any working or entrepreneurial activity undertaken or intended to be undertaken in line with the rapport.

17.2. The athlete cannot engage in other competitive sports activities or sports activities involving elevated personal risk without the previous written consent of the club. Sports activities considered at high are: skiing, water skiing, flying or hang gliding, parachuting, underwater sports, mountain climbing, motorcycling, and, in general, any activities defined as hazardous in the mandatory injury insurance policy.

#### 18. Time Off and Vacations

18.1. Except under exceptional circumstances, and with foreseen recuperation, the athlete has the right to one day off per week, usually to be taken on a Monday, except for midweek engagements, those in international cups and those of the national team.

18.2. The athlete also has the right to an annual period of vacation of no less than forty calendar days.

18.3. Considering the peculiar characteristics and calendars of the competitive sport of professional basketball, the collective parties agree that during the period from the 1st to the 31st of July of each year, all professional players, whether under contract or not, utilize the corresponding holiday period. With regard to that mentioned in article 18.2, the athletes will furthermore utilize a period 10 calendar days of consecutive holidays as of the Sunday after the last official match of the season. The regulations contained in the present paragraph do not apply to the duties of the national team.

18.4. Except for that foreseen in the first section of article 18.1, there is no possibility of recuperating or being paid in any way for the period of vacation not taken.

#### 19. Federation Disciplinary Measures

19.1. The athlete, as a member of the FIP, is subject to all its regulations and, in particular, is subject to federation disciplinary authority.

19.2. If the club requests, the athlete must file an appeal of disqualification or disciplinary measures applied by the FIP, the FIBA or the ULEB. In which case, the club assumes all related burdens and costs. Should the club decide to not file an appeal, the athlete has the right to file an appeal if desired, at the athlete's own expense.

19.3. Where disqualification converted into a fine, the athlete must reimburse the entire sum of the fine to the club, that is the same amount of money that the club paid to the FIP. If for any reason the disqualification must be or is in any way enacted, the fixed annual remuneration will be decreased by 2.5% for each day of disqualification and the athlete must be notified in writing within ten days of the day in which the disqualification is enacted. The absence of communication within these terms forces the club to forfeit the right to the decrease in remuneration.

#### 20. Remuneration

20.1. The athlete's remuneration per playing season consists of:  
a fixed annual monetary remuneration. Any benefits (for example the use of residences or cars) must be made clear in the contract and contribute to the determination of the amount of fixed annual remuneration at the specific cost to the club. If the parties agree that the athlete is to be provided a club residence, the cost of said residence for the athlete cannot be more than 10,500.00 (ten thousand, five hundred) euros; any team or individual monetary bonuses.

20.2. The fixed annual remuneration includes and covers all benefits, indemnities, or checks that may be due to the player for the sport, and also those associated with leisure periods, holidays, days off, travel, missions, night games, training camps, and so on.

20.3. If the contract runs for more than one year, the amount of remuneration for each playing season must be specified. Any contract not indicating the sum of the fixed annual remuneration for each of the playing seasons covered in the document is considered null and void.

20.4. If the team is demoted, the athlete's fixed income of the season concluded with that team is to be automatically reduced to 80% of the contractual remuneration, respecting the minimum limits of remuneration in force. The reduction referred to in the present paragraph comes into effect in the same season that the demotion occurred and for any subsequent seasons, except if the team is returned to the A League, whereby the reduction in remuneration is cancelled.

20.5. All amounts must be stipulated in gross figures, before taxes and levies. It is forbidden and void for all legal purposes to make any stipulations with the objective of transferring financial burdens levied by law, regulations, or the collective agreement from the athlete to the club or a third party. Also forbidden are similar stipulations having the objective of transferring financial burdens levied by law, regulations, or the collective agreement from the club to the athlete or a third party.

20.6. The remuneration must be stipulated in Euros. If payment is to be made in a different currency, the club can pay in Euros if it chooses according to the exchange rate on the date of the filing of the contract or upon expiry of obligation.

## 21. Payment of Income

21.1. The fixed remuneration is to be paid in 12 equal deferred monthly instalments due the tenth day of each month, from August 10 to July 10 of the following year. Where the contract is filed after August 10, the remuneration will be divided into fewer equal instalments, with payment commencing the tenth day of the month following filing and continuing as above until July 10.

21.2. Bonuses are to be disbursed in one or more payments, at the discretion of the club, within 30 days of attaining the result for which the bonus was awarded, in any case by July 10 immediately after the sport season referred to.

21.3. Except where agreed otherwise, remuneration must be sent to the athlete's fiscal residence, as specified in the contract or transferred into the athlete's current bank account as indicated by the athlete.

21.4. If payment of one of the monthly instalments is more than 30 days late, the athlete has the right to receive additional amounts according to article 429, third paragraph, of the civil practice calculated from the first day after payment was supposed to have been made.

## 22. Resolution for Delays of Payment

22.1. In cases of arrears for a corresponding amount of at least two months of the fixed remuneration stipulated, the player has the right to obtain an annulment of the contract for failure to conform with regular procedure.

22.2. To such end, the player, having matured the aforementioned period of arrears, must formally declare the club in arrears through means of a warning by certified mail or telegram, a copy of which is to be sent to the League headquarters. The club can prevent the annulment by paying the amount due to the player in cash or by bank draft delivered to the player's residence, or by bank transfer into the athlete's current account (as indicated by the athlete), within 20 days of the receipt of the arrears advice; or the club can, within ten days of receipt of arrears advice, contest the existence of the conditions of the annulment invoked, provoking an arbitrary judgement according to common practice contained in article 32 of the present agreement.



22.3. Where the club in arrears fails to effect payment in the aforementioned terms of twenty days or provoke arbitrary judgement within the specified time frame, as foreseen in the previous paragraph, the contract is declared null and void by the chairman of the CPCA upon the athletes request.

22.4. The annulment due to arrears allows the player the right to payment of remuneration agreed until the end of the current sport season or, if preceding, until entering into a new contract.

22.5. If the player is a member of a club following the temporary transfer of contract, the arrears advice must also be sent, in the same mode and terms, to the ceding club. The declaratory judgement of the annulment by the chairman of the CPCA determines the restoration, to be effective as of the same declaratory judgement, of the original relation between the ceding club and the player as far as the terms foreseen for that relation, on the condition that the ceding club provides the entire payment, except where ruling is in favour of the ceding club, within the period of twenty days from the communication of the declaratory judgement, of all unpaid accrued remuneration, on the basis of that foreseen in the original contract or, if inferior, in the contract entered into by the athlete with the ceding club in arrears. In the absence of such payment, the player can apply to the chairman of the CPCA for the declaratory judgement of annulment of the contract with the ceding club, also for seasons subsequent to that referred to previously.

### 23. Advertising Contracts

23.1. The club has the right to profit financially in any legal manner from the image of the athlete since he is a member of the team and wears its uniforms. If requested, such image can be associated with brands or products of any kind and the athlete has no right to any remuneration for such association. The club cannot request the athlete to perform any individual promotional activities not in connection with the team and its uniforms.

23.2. The athlete is permitted to stipulate individual advertising contracts in accordance with the following two imperative conditions:

- the brands or products being promoted cannot compete in any way with the official sponsor or the official suppliers of the club and the official sponsor of the League unless written authorization is obtained from the club and the League;
- the advertisement should not display the colours or general distinctive elements of the club or other A League basketball clubs, or similar to those, and the athlete must not wear the club playing uniform.

23.3. The above conditions must be respected unless other conditions are stipulated.

### 24. Sickness and Injuries

24.1. In the case of sickness or injury not attributable to grievous or reckless behaviour on the athlete's part, the athlete has the right to the entire amount of remuneration, for the entire period of seven and a half months, as stipulated in the contract.

24.2. The club has the right to insure against the risk of damages that it could undergo following an athlete's accident or illness. All relative insurance compensation is exclusive to the club; the athlete cannot claim from such title. The athlete must undergo all tests required by the club's insurance policy in their favour.

24.3. If the lack of performance due to sickness or injury lasts for more than seven and a half months and the contract has not expired in the meantime, the club, after giving prior notice to both the athlete and the League in writing, has the right to reduce the player's payment by 50% from the date the letter is sent until the player resumes play. Alternatively, the athlete and the club can seek cancellation of the contract.

24.4. In cases where the contract follows the direction of the first part of the previous paragraph, or the second part of the paragraph at the initiative of the club, the latter will

provide the athlete with health insurance for an extra three months after the first seven and a half.

24.5. For accidents occurring prior to the date that the present collective agreement is entered into, the period of nine months foreseen previously continues to apply.

## 25. Residence

25.1. For the purpose of any communication required by this agreement, the athlete and the club designate their respective residences (in any case in accordance with article 47 of the civil code) as those specified in the contractual module deposited. Any change will not take effect until 15 days after written notification has been sent to the other party and such notification has been delivered to the League headquarters.

25.2. As far as the athlete is concerned, such provision does not apply during summer vacation.

25.3. The communication relative to the procedure of conciliation and of arbitration is to be carried out at the address elected within the application or within the preliminary appeal or within the first deed of defence, in absence of the election of a premises, it is carried out on the League's premises, for that regarding the club, and at the premises of GIBA, for that regarding the athlete.

## DISCIPLINE

### 26. Disciplinary Penalties

26.1. An athlete who has not fulfilled responsibilities to the club, can be subjected to the following disciplinary measures, depending on the gravity of the violation:

- a verbal reprimand;
- a written reprimand;
- a fine by means of withholding part of remuneration;
- suspension of activities, even from practice sessions or preseason training;
- early cancellation of the contract.

26.2. If repeated violations of the same rule are involved, only those infractions committed during the same playing season can be considered.

26.3. In no case can disciplinary measures be adopted regarding the lack of performance of an athlete or the team, according to the club.

26.4. The parties agree that, considering article 7, first paragraph, of law no. 300, 1970, the clubs are obliged to affix the internal norms of behaviour, if existing, in a location visible to the athlete, with any relative penalties, as well as the "disciplinary code" in which articles 2104, 2105 and 2106 of the civil code, article 7 of the workers' statute, the norms of this contract relative to the general duties and specifics of the athlete and discipline (articles 13, 14, 15, 16, 17, 19, 23, 26, 27, 28) must be present.

#### Verbal and Written Reprimands

26.5. Lesser infractions can be disciplined with verbal reprimands.

26.6. Written reprimands are to be applied in the case of a repeated infraction of the same rule or a similar rule that has already been reprimanded verbally.

#### Fines

26.7. The parties recognise that the fine limit established generally of a maximum of 4 hours of remuneration from article 7 of the workers' statute is ineffective and unsuitable to the reality of A League basketball; as a consequence an exception to this legal norm is agreed to. For "hours of remuneration" it is intended 1/200 (one two-hundredth) of the annual remuneration allocated to the athlete as stated in their contract.

26.8. The maximum amount of the fine must not exceed the 4 hours of redefined base remuneration and therefore 2/100 (two hundredths) of the athlete's remuneration. For

repeat violations of the same infraction, the fine cannot exceed, in the same sport season, 1/10 (one tenth) of the athlete's fixed annual income.

Exclusion from Practice or Preseason Training of the First Team.

26.9. Suspension from activity and remuneration cannot be set for a period of more than ten days.

26.10. Where infractions for which a fine has already been given are repeated, in addition to the fine, suspension from practice sessions and preseason training for up to three months is also applied.

Dismissal for Just Cause

26.11. Independent of other reasons for cancellation, the club can move for early cancellation of the contract in the following cases:

use of doping substances or procedures;

use of psychotropic substances;

sports fraud;

conviction and sentencing to serve time in jail for intentional crimes, sentence finalized and not suspended or pardoned;

sickness or injury resulting from reckless or grievous behaviour of the athlete that results in a period of inability to perform lasting longer than one month;

disqualification or disqualifications during a season that, combined, amount to over ten days of official competition;

more than one unexcused absence from games during the season;

grievous and repeated failure to fulfil the responsibilities outlined in this contract

Penal Clause

26.12. In any case, should the athlete unjustly interrupt the fulfilment of the contract, declaring in writing also through the proxy that the athlete does not intend to fulfil the contractual obligations appointed, or in actual fact not fulfil the obligations for a continuous period of no less than thirty days, the club has the right to request the athlete for compensation of damages, of a sum corresponding to six months of the athlete's fixed annual remuneration, except where the possibility exists for the club to proceed with the athlete's dismissal according to the norms of the previous paragraph or the allocation of another disciplinary penalty.

27. Failure to conform to the rules established in Article 13.6 of the present agreement

27.1. For the athlete failing to perform obligations established in article 13.6 of the present agreement, the following disciplinary measures can be applied:

a) reprimand and, according to the seriousness, a warning if the incident occurred without malice or grave intent;

b) simple monetary disciplinary measures, where an infraction for which the athlete has already been warned or given notice, is repeated;

c) increased monetary disciplinary measures in cases of malice or grave intent, or where an infraction for which punishment has already been given, is repeated. Considering both cases, the joint punishment can be of a maximum of double that foreseen.

27.2. Simple monetary disciplinary measures carry the obligation of transfer to the League, within the terms fixed by the CPCA, of a sum of money of no more than 1/100 (one hundredth) of the athletes annual remuneration.

27.3. Increased monetary disciplinary measures carry the obligation of transfer to the League, within the terms fixed by the CPCA, of a sum of money of no more than 2/100 (one hundredth) of the athletes annual remuneration.

27.4. When determining punishment the following is to be considered:

a) the entities, the seriousness and duration of the infraction;

- b) the gross prejudice, be it moral or of the image that the disciplined conduct caused the League, the other clubs associated, third parties or, the sport of basketball in general;
- c) the aggravating circumstances, including in particular:
  - the repeat of the same or similar infractions;
  - the repeat of infractions even of another nature committed during the current sport season or that previous;
  - committing an infraction in order to commit or hide another infraction;
  - the aggravation or the attempt to aggravate the consequences of the infraction;
- d) extenuating circumstances, above all:
  - voluntary repentance before the beginning of the disciplinary procedure;
  - action undertaken in order to eliminate or mitigate the consequences of the infraction;
  - having reacted to another persons' unjust action;
  - having never required disciplinary action previously.

27.5. Any confidence generated from the absence of punishment or lighter punishment for cases such as those mentioned previously, cannot be invoked as a reason for justification extenuating circumstances.

27.6. The clubs are obliged by the League to pay the athletes' fines jointly with the responsible party and with the right to regression with regard to the latter.

## 28. Disciplinary Procedure

28.1. Should the club intend applying a disciplinary measure greater than a verbal reprimand, it must notify the athlete in writing within five days of the incident, of the facts or specific behaviour for which punishment will be attributed, inviting the athlete to prove his innocence or defend himself – even through a representative provided with a written defence, or through the GIBA, if a member, in the latter case without necessity of a specific defence – within a term of no less than five days of the receipt of the aforementioned contestation of charge.

28.2. If the athlete chooses not to contest or defend in writing in the terms established for defence, the athlete can request, within such terms, to be heard orally, also with the assistance of a representative.

28.3. The club can deliberate a punishment within the five days following the day on which the athlete was heard or that the written defence was received; or, in absence of defence, in the five days following that of the expiry of the terms of defence, informing the athlete of the decision reached within a further five days.

28.4. The athlete can turn to the CPCA to contest the punishment assigned. This however will not suspend the execution of punishment.

28.5. The disciplinary measures referred to in article 27 are deliberated by the CPCA upon proposal of the President of the League, that to this end enables the relative arbitrary procedure, prior to the athlete's contestation in writing, of the facts or specific behaviour for which punishment will be attributed, inviting the athlete to defend himself according to the terms foreseen by the arbitrary procedure.

## DISPUTE RESOLUTION

### 29. The Permanent Board of Conciliation and Arbitration

29.1. A permanent, three-member Board of Conciliation and Arbitration (CPCA) is to be appointed, composed of three members: the chairman, invariable, nominated in agreement by the League and the GIBA every two years; one member chosen at a time from those indicated by the League in a list created for this purpose; and one member chosen at a time from those indicated by the GIBA in a similar list. The League and the GIBA form, and communicate reciprocally, their respective lists, and any subsequent variations or integrations, of the possible members of the CPCA, indicating in each no less than three nominations.

29.2. The CPCA is located in Bologna, at the premises of the League and performs its obligations making use of the office resources made available to them by the League.

### 30. CPCA Expenses, Appeal Fees and Legal Defence Expenses

30.1. The League and the GIBA are to establish the amount of fixed expenses for the functioning of the CPCA every two years.

30.2. The remuneration of the arbitrators is determined, with a maximum limit, on the basis of the hourly rate currently in effect for the Board of Conciliation and Arbitration of the sport, established at C.O.N.I., rates that all delegated subjects as members of the CPCA must agree in advance to accept and respect as conditions of validity of the constitution of the board.

30.3. The appeals and petitions addressed to the CPCA and its Chairman are subject to the following fees:

- 500.00 euros for requests for conciliation as per article 31;
- 500.00 euros for appeals for injunction as per article 32.11;
- 500.00 euros for appeals against disciplinary measures, for which the fees cover both the conciliatory phases and any subsequent arbitrary phase;
- 1,000.00 euros for all other ordinary appeals as per article 32, including those in opposition to injunction according to article 32.13. In the event foreseen in the last section of article 31.4, of activation of the arbitrary role following the absence of conciliation, the appealing party must provide the fees to integrate the conciliation fees with the payment of a further 500.00 euros.

30.4. The fees contained within the previous paragraph are recovered by the League that allocates them to a specially appointed fund managed in agreement with the GIBA for the reimbursement of the office expenses of the CPCA. The League and the GIBA are to decide annually where the excess of said fund is to be allocated.

30.5. Considering both the uncustomary nature of the procedure of dispute resolution foreseen in the present agreement (and the non-obligatory consequences of the technical defence) and the more general role requirements of the procedure itself also given the sport environment in which they are to apply, the liquidation of any such legal defence expenses of the parties can be of no more than the minimum current professional rates foreseen for judicial activity.

### 31. Conciliatory Role

31.1. The CPCA performs the role of body of obligatory conciliation for disputes relative to the working relation between professional player and club.

31.2. The request for conciliation is to be deposited at the CPCA office together with the request for arbitration according to article 32.2 and must be accompanied along with proof of payment of fees. The proposal of the request of conciliation effects the interruption and suspension of the terms of the instruction and forfeiture established by law.

31.3. Should the conciliation succeed, a statement is drawn up, signed by the arbitrators and the parties, and is binding. The appeal fee is given back to the appealing party, except for the amount referred to in article 30.5 that is definitively appropriated.

31.4. Should the attempt at conciliation result as negative, or cannot be performed due to the failure to appear of one or both of the parties, or their representatives, the CPCA will proceed with the execution of activity in an arbitrary role, where requested and subject to the payment of the integrative appeal fees.

### 32. Arbitrary Role Jurisdiction

32.1. The CPCA assumes an arbitrary role according to article 4, fifth paragraph of law no. 91 of 1981 for the resolution of all disputes regarding the interpretation, validity, and performance of the present collective agreement and of the relative individual employment contract as well as, in general, of all possible disputes, including those of an economic nature

relative or connected to the working relation between club and professional player, even whereby subsequent demotion of the club to a non-professional level or the player's subsequent memberships with other militant clubs in a non-professional tournament and also for the athlete's transfer abroad, on the condition that the origin of the dispute is verified in constancy of the professional relation. The CPCA also assumes an arbitrary role for appeals proposed against disciplinary action of a more serious nature than a verbal reprimand by the club as well as the procedure of dealing out the punishments referred to in article 27 of the present agreement. The CPCA is also responsible for disputes between the club and the Professional Players' Pension Fund.

#### Ordinary Procedure

32.2. A petition of appeal is communicated to the involved parties through means of certified mail, by fax to the CPCA premises together with proof of receipt. The appeal must contain a summary of the facts and the rights the petition is based on, as well as an indication of the types of evidence the party intends to submit in his defence and the documents involved therein must be duly filed. The petition of appeal must also contain (without which the appeal will not proceed) the party's designation of the arbitrator of those indicated in the list referred to in article 30.1 and (in order to result as paid) must be accompanied by the proof of payment of the appeal fee.

32.3. Appeals against disciplinary measures must be submitted within ten days of the communication of the contested measure, a copy of which must be attached to the petition. The timing of the appeal is verified with reference to the date that certified document was sent as per article 32.2.

32.4. Appeals regarding disciplinary measures as referred to in article 27 of the present agreement must be accompanied by a receipt showing payment of the appeal fee (as in article 28.5) will not be considered.

32.5. The party summonsed creates a counter claim, informing the plaintiff at the specified residence in the petition, by certified mail within ten days of the receipt of the petition and filed even through sending it by fax to the CPCA office together with the postal receipt. Together with the counter claim, the plaintiff must file, at least five days before the hearing, any exceptions to the methods and merits not officially observable must be cited, indicating also the types of evidence which the plaintiff intends to produce and the documents involved therein which must be filed at the same time. The counter claim must furthermore contain the designation of the party's arbitrator of those contained in the list referred to in article 30.1; in the absence of such designation, it is carried out by the CPCA within five days of the filing. The timing of the counter claim is verified with reference to the certified mail date.

32.6. Having formed the board, the chairman of the CPCA schedules a hearing for a the conciliation according to article 31 as well as for the purpose of discussing the appeal in the even of the occurrence of that contained within article 31.4.

32.7. The CPCA office will record the petitions in progressive order in the general dispute register, will create the necessary file, and will then send a copy of the documents attached to the appeal petition or to the counter claim to the contested party without delay; and will also communicate (in good time) all disciplinary measures not included in the hearing.

32.8. The CPCA, under the direction of the chairman, exercises the powers referred to in articles 420 and 421 of the civil code of procedure, and perform any instructive activity according to the customary employment regulations. The hearing is conducted orally. Once any investigation and discussion has been completed, the board will pronounce its decision based on the facts presented by the parties. The minutes will be taken of every meeting held and will be signed by the chairman and by the arbitrators.

32.9. The CPCA makes its decisions on the basis of a majority vote according to the law and the grounds for judgement. The award, uncustomary and immediately valid, is filed at the

CPCA office within two months of the request; such terms can be prolonged, only once and for a period of no more than one month, only whereby agreement has been reached by the parties or execution by the instructive activity that is prolonged for more than one hearing further to that discussed. The award is communicated to both parties care of the CPCA office that, upon request, will supply an authentic copy of the notification. Upon obtaining the authorization of the federation, the award is contestable in the modes and terms established in article 412 quarter of the code of civil procedure.

32.10. In the award, the CPCA sets the payment in full or in part (according to the principles contained in article 91 and following the civil procedure code) of the role of the Board as per article 30.2 as well as any legal defence expenses, paid according to the norms contained within article 30.5 and the appeal fees as the responsibility of the losing party.

#### Abbreviated Procedure

32.11. If payment of instalments of the fixed annual remuneration or bonuses are more than ten days late, the athlete can request the chairman of the Permanent Board of Arbitrators to order the club in arrears to pay the monthly instalment(s) and any interest due. The Retirement Fund can react similarly where payments of the amounts referred to in article 3 are delayed by over ten days. The appeal must be presented by way of petition filed (by fax if necessary) at the CPCA premises, along with a copy of the individual contract and proof of payment of the appeal fee (without which payment is not recognised). An suitable fax must be indicated in the petition (failure to do so may halt proceedings), through which acts are to be communicated by the office or the opposing party.

32.12. If it is decided that the petition is founded, the Chairman orders the club to pay the amount due and any relative additional payments as referred to in article 429, third paragraph of the code of civil procedure, including the reimbursement of any legal defence fees, to be settled according to the norms referred to in article 30.5, and the appeal fees within ten days of the receipt of the injunction, with express warning that within the same period of ten days opposition is accepted and that, in its absence, the injunction is considered definitive and can therefore be executed according to the norms within article 34 of the present agreement. The parties are informed of the injunction by fax care of the office.

32.13. Opposition can be executed by way of appeal transmitted to the opposing party, (which can be performed by fax) to the means indicated in the appeal for injunction. Within the same period of ten days within the receipt of the injunction. The appeal is to be filed within the same period of time (also by fax) at the CPCA premises together with the proof of transmission to the opposing party. With opposition, arbitrary procedure is established according to the ordinary procedure foreseen within the present article 32. The opposition clause does not suspend the execution of the injunctive action.

#### 33. Suspension of Terms

33.1. The course of the terms of arbitrary procedure are suspended from 10 July to 31 August of each year.

33.2. If an appeal petition is initiated during the period of suspension, the petition will be considered as having been filed at the end of the period of suspension.

#### 34. Enforcement of Rulings

34.1. The execution of the CPCA's decisions in which the clubs are found to be in error, is enforced by the League, that prepares within ten working days of the date on which the arbitrary award was filed or from the expiry of the period foreseen for the opposition as in article 32.13.

34.2. The League is to foresee in its regulations, as a condition for admission and staying in the League, the clubs' obligation to lend a suitable financial guarantee to be utilized for the payment of debts to the athletes recognised by the CPCA's decisions and the obligation of immediate reintegration of such guarantee if utilized.

34.3. The absence of the integral execution of the obligations born of the executive arbitrary award causes of the exclusion of right to participate in the next federation championship game, as established in the current FIP norms.

#### TRANSITORY REGULATIONS

35. Disciplinary matters of the regulations in the present agreement that will take effect as of the 2004/2005 season.

35.1. For the 2003/2004 season the disciplinary matters in articles 2, 3.2, 4.1, 5.2 and 20.4 will be regulated on the basis of the regulations foreseen, that are intended therefore to be extended until 30 June 2004.

35.2. The collective contracting parties will however, research these agreed solutions in order to put the regulations contained within articles 3.2 and 4.1 of the present agreement into effect during the 2003/2004 sport season.

Treviso, 27 September 2003