

Roster Rules

As of July 18, 2024

2024 MLS Roster Composition

A Major League Soccer club's active roster is comprised of up to 30 players. All 30 players are eligible for selection to the game-day squad during the regular season and playoffs. In addition to the Salary Budget, each MLS club may spend additional funds on player compensation including money from a League-wide allocation pool (General Allocation Money), discretionary amounts of Targeted Allocation Money, the cost of Designated Players outside the Salary Budget, the cost of U22 Initiative Slots outside the Salary Budget, and money spent on the Supplemental Roster (roster slots 21-30).

Senior Roster

Up to 20 players, occupying roster slots 1-20, count against the club's 2024 Salary Budget of \$5,470,000 and are referred to collectively as the club's Senior Roster.

- Clubs are not required to fill roster slots 19 and 20, and clubs may spread their entire Salary Budget across 18 Senior Roster Players. A minimum Salary Budget Charge will be imputed against a club's Salary Budget for each unfilled Senior Roster slot below 18.
- A club may have no more than 20 players on its Senior Roster, subject to the Season-Ending Injury, Injured List, and Loan exceptions.
- The Maximum Salary Budget Charge for a single player is \$683,750. (See Allocation Money section below for details on buying down a player's Salary Budget Charge.)

Supplemental Roster

The salaries of players on the Supplemental Roster (slots 21-30) do not count toward a club's Salary Budget.

A club may have no more than ten players on its Supplemental Roster, subject to the Season-Ending Injury, Injured List, and Loan exceptions. All Generation adidas players are Supplemental Roster players during the initial guaranteed term of their contract.

Slots 21-24:

- Slots 21-24 may be filled with (i) Senior Minimum Salary Players (\$89,716), which may include Homegrown Players, (ii) Generation adidas Players, (iii) any specifically designated players eligible for the MLS SuperDraft; or (iv) Homegrown Players earning more than the Senior Minimum Salary subject to the Homegrown Player Subsidy.
- All players in slots 21-24 must be paid a base salary that is at least the Senior Minimum Salary (\$89,716).

Slots 25-30:

- Slots 25-30 may be filled with (i) players earning the Reserve Minimum Salary (\$71,401), which may include Homegrown Players, (ii) Homegrown Players earning more than the Reserve Minimum Salary subject to the Homegrown Player Subsidy, or (iii) Generation adidas Players (earning the Reserve Minimum Salary).

- Reserve Minimum Salary Players must be 24 years or younger during the League Year (age of player is determined by year - not date - of birth).
- These slots may not be filled with Senior Minimum Salary Players (unless they are Homegrown Players subject to the Homegrown Player Subsidy).
- All players in slots 25-30 must be paid a base salary that is at least the Reserve Minimum Salary (\$71,401).

Homegrown Player Subsidy

- Homegrown Player(s) in Supplemental Roster slots 21-30 may earn in aggregate each year up to \$125,000 above the Reserve Minimum Salary (if occupying slots 25-30) or Senior Minimum Salary (if occupying slots 21-24).
- Clubs may use up to \$200,000 of their currently available Targeted Allocation Money or General Allocation Money to sign new Homegrown Players to their first MLS contract, subject to League review and approval. Targeted Allocation Money cannot be used on a Homegrown Player previously signed to MLS.

2024 Roster Compliance, Roster Freeze and Transfer Window Dates

- The 2024 Roster Compliance Date is Friday, February 23 by 8 p.m. ET, at which time clubs must be roster and budget compliant heading into the start of the 2024 MLS season. Inter Miami CF and Real Salt Lake, who open the season on Wednesday, February 21, must be compliant by Tuesday, February 20.
- The 2024 Roster Freeze Date is Friday, September 13, 2024, at which time clubs must submit their final 30-man roster. Rosters cannot be changed from that date through the day after MLS Cup, subject to Extreme Hardship.

The registration windows - the dates between which MLS may request the international transfer certificate of a player under contract in another country or trade players within MLS - are as follows:

- **Primary Transfer Window:** Wednesday, January 31, 2024 – Tuesday, April 23, 2024
- **Secondary Transfer Window:** Thursday, July 18, 2024 – Wednesday, August 14, 2024
 - U.S.-based Clubs: Thursday, July 18, 2024 – Wednesday, August 14, 2024
 - Canadian-based Clubs: Friday, July 12, 2024 – Thursday, August 8, 2024

Player Categories on the Roster

Domestic/International

Domestic Players

- **U.S.-based clubs:** For U.S. clubs, a domestic player is either a U.S. citizen, a permanent resident (i.e., a Green Card holder), the holder of a certain other special status (e.g., has been granted refugee or asylum status) or a player who qualifies under the Homegrown International Rule. There is no limit as to the number of U.S. Domestic Players on a U.S. club's roster.

- **Canada-based clubs:** For Canadian clubs, a domestic player is either a Canadian citizen or the holder of certain other special status (i.e., has been granted refugee or asylum status), a player who qualifies under the Homegrown International Rule, or a U.S. Domestic Player.
- There is no limit as to the number of U.S. Domestic Players or Canadian Domestic Players on a Canadian club's roster; provided, however, a Canadian club is required to have a minimum of three Canadian Domestic Players on its roster at all times.

Homegrown International Rule

Any player who, at the time of their initial signing with MLS, meets the requirements to qualify as a Homegrown Player as a member of an MLS club academy, either in the U.S. or Canada, or has met similar requirements as a member of a [Canadian Approved Youth Club](#), will count as a domestic player (i.e., he will not occupy an international roster slot) on both U.S. and Canadian club rosters provided that:

- The player became a member of an MLS club academy, either in the U.S. or Canada, or a Canadian Approved Youth Club no later than the year in which he turned 15 years old; and
- The player signs his first professional contract with MLS or an MLS club's affiliate (MLS NEXT Pro).

International Players

In 2024, a total of 233 international roster slots are divided among the 29 clubs. These roster slots are tradable, in full season increments, such that some clubs may have more than eight and some clubs may have less than eight during any given season. With trades, there is no limit on the number of international roster slots on each club's roster.

In addition, the following applies:

- *U.S.-based clubs:* Any Player who obtains U.S. permanent residency while employed by MLS will be considered a domestic Player for the applicable Season if such residency is established or the Player has appeared for an immigrant visa interview by the opening of the Secondary Transfer Window (July 18, 2024)
- *Canada-based clubs:* In addition to the International Roster Slots, each Canadian Club is permitted to designate up to three (3) International Players who have been under contract with MLS and registered with one or more Canadian clubs for at least one year who will not count toward the club's International Roster Slots. In order to be eligible, the International Player must have met the contract and registration requirement by the opening of the Secondary Transfer Window (July 18, 2024)

Homegrown Players

Players signed through the Homegrown Player mechanism (see below in Player Acquisition Mechanisms) will receive the designation of "Homegrown Player" on a club's roster.

- There is no limit to the number of Homegrown Players a club may sign in any given year.
- Homegrown Players may occupy a slot on the Senior or Supplemental Roster.

Generation adidas

Generation adidas is a joint program between MLS and adidas that is dedicated to developing exceptional talent in a professional environment. Each year, a handful of top collegiate underclassmen and youth national team players are signed by the League with the majority of such players entering the League through the MLS SuperDraft. Until the end of the guaranteed term of his contract up to three years, Generation adidas players are on a club's Supplemental Roster.

Roster Construction Path

MLS rosters will now feature six discretionary spending roster spots with the flexibility to choose between two models, tailorable to a team's roster-building strategy.

Clubs will be required to submit and announce their 2024 roster construction path by the close of the Secondary Transfer Window on Aug. 14. In future seasons, clubs will be required to submit and announce their roster construction path by the Roster Compliance Date in their respective season.

1. Three Designated Player Model

1. Up to three Designated Players **AND**;
2. Up to three U22 Initiative Players

2. U22 Initiative Player Model

1. Up to two Designated Players **AND**;
2. Up to four U22 Initiative Players **AND**;
3. Up to an additional \$2 Million of General Allocation Money*

In 2024, clubs who elect for the U22 Initiative Player* Model will have the opportunity to introduce up to an additional \$1 million in General Allocation Money due to midseason implementation.

General Allocation Money received under the U22 Initiative Player Model must be used within the same league season and by Roster Freeze Date. This GAM may be traded but the club receiving the GAM in a trade still must use it in the same league season consistent with the above.

Designated Player

The Designated Player rule allows clubs to acquire up to three players whose total compensation and acquisition costs exceed the Maximum Salary Budget Charge, with the club bearing financial responsibility for the amount of compensation above each player's Salary Budget Charge. Designated Players may be new players signed to MLS via the Discovery Process, or they may be re-signed existing players on a club's roster.

The number of Designated Player Slots available to each team will be based on the roster construction model they choose at the beginning of a respective season. For 2024, clubs must declare their path by Aug. 14, the close of the Secondary Transfer Window.

A player's Salary Budget Charge, and therefore Designated Player status, is generally determined by averaging all guaranteed amounts payable over the guaranteed term.

In 2024, a Designated Player who is at least 24 years old during the League Year will carry the Maximum Salary Budget Charge (\$683,750) unless the player joins his club after the opening of the Secondary Transfer Window, in which case his budget charge will be \$341,875.

Clubs may "buy down" the Salary Budget Charge of a Designated Player with General Allocation Money. The reduced budget charge may not be less than \$150,000.

Clubs may trade a Designated Player or U22 Initiative Player, remain responsible for some or all future out of pocket costs, and shed the Designated Player or U22 Initiative Player slot designation under the following limitations:

- Up to one Designated Player traded per year (two total “active” at any given time)
- Up to one U22 Initiative Player traded per year (two total “active” at any given time)
- Player may only be traded beginning in his second MLS season
- Roster Slot Designation (Designated Player or U22 Initiative) must be held by one of the two trading teams

Young Designated Player

A Designated Player who is 23 years old (or younger than the age of 23) during the League Year (the age of the player is determined by year - not date - of birth) will carry the following Young Designated Player Salary Budget Charge:

- Ages 20 and younger: \$150,000
- Ages 21-23: \$200,000

If such a Young Designated Player joins the club after the opening of the Secondary Transfer Window, he will carry the Mid-Season Young Designated Player Salary Budget Charge of \$150,000.

Each club will be allotted up to three Designated Player roster slots based on the roster construction model they choose at the beginning of the year. Clubs with two Designated Players may add a third Designated Player by paying \$150,000 to the League, which shall be split among clubs with two or fewer occupied Designated Player slots for use as General Allocation Money in the following MLS season. Clubs must pay the \$150,000 fee every year in which a third Designated Player slot is occupied on the club's roster.

If a club uses the third Designated Player slot to sign a Young Designated Player, then the club will not be obligated to pay the \$150,000 charge.

Designated Player slots are not tradable.

U22 Initiative Roster Slots

Number of Slots:

Each MLS team will have either three or four U22 Initiative roster slots available, with each occupying one of the 20 existing Senior Roster Slots. The number of U22 Initiative Slots available to each team will be based on the roster construction model they choose at the beginning of a respective season. For 2024, clubs must choose their roster construction path by the close of the Secondary Transfer Window on Aug. 14.

Eligibility for U22 Initiative Slot:

- **Age:** A Player must be twenty-two years old or younger in the first year he is eligible to play in an MLS game (e.g., not eligible for 2024 if he turns 23 in 2024). A player who signs at age 22 or younger may continue to occupy a U22 Initiative Slot through the year in which he turns 25, provided that for non-Homegrown players, such player is on his initial contract. A Homegrown player may continue to occupy a U22 Initiative Slot through the year in which he turns 25, provided he must be on his first or second contract and the applicable contract must have been signed at age 22 or younger.

- **Contract:** A player is eligible to occupy a U22 Initiative Slot if signing his first contract with MLS, provided that player meets age and compensation requirements, as either a Homegrown player, or, as an international or domestic player playing outside of MLS. A player will be eligible to occupy a U22 Initiative Slot during his second contract provided that he meets the age and compensation requirements and signed his first contract with MLS as either a Homegrown or SuperDraft player.
- **Compensation:** A player's salary may not exceed the Maximum Salary Budget Charge in any given year, including option years. A Homegrown or SuperDraft player on his second contract may earn up to \$200,000 above the Maximum Salary Budget Charge in any given year, including option years.
- In addition, Clubs may pay, without limit, additional amounts in the form of acquisition fees (i.e. transfer or loan fees).

U22 Initiative Slot Budget Charge:

Players occupying a U22 Initiative Slot will have a Salary Budget Charge that mirrors that of a Young Designated Player:

- Ages 20 and younger: \$150,000
- Ages 21-25: \$200,000

All such amounts above the first \$150,000 or \$200,000 accounted for on the Salary Budget will be paid on a discretionary basis by the Club.

Transfer of Player:

In the event a player occupying a U22 Initiative Slot is transferred outside of the League, 95% of the proceeds of the sale (after out-of-pocket amounts are recouped) will be paid to the Club and such amounts may be converted to General Allocation Money based on the below sliding scale:

Acquisition cost of the Player for coming into the League (e.g., both Loan and Transfer costs)	Revenue
≤ \$2,500,000	\$300,000
\$3,000,000	\$200,000
\$3,500,000	\$150,000
\$4,000,000	\$100,000
\$4,500,000	\$60,000
≥ \$5,000,000	\$0

Reclassification of a Player from a U22 Initiative Slot:

To remove a U22 Initiative Slot classification, a Club may: transfer the player out of MLS, remove the player from a U22 Initiative Slot using Targeted Allocation Money or General Allocation Money, loan the player outside of MLS, utilize its one Buyout, or transition the player to a Designated Player slot.

If the contract of a player occupying a U22 Initiative Slot is renegotiated prior to its conclusion, the League will not reclassify the player and he may continue to occupy a U22 Initiative Slot until his initial contract would have otherwise expires depending on compensation.

Salary Limitation in Options and Years 26+

If a player's contract includes Options, compensation during the Options may exceed the Maximum Salary Budget Charge only if it is in a year the player is no longer required to occupy a U22 Initiative Slot. These players would not be eligible to occupy a U22 Initiative

Slot in the Option year regardless of age if the compensation exceeds the Maximum Salary Budget Charge.

If a player's contract covers years in which he is no longer eligible to occupy a U22 Initiative Slot (i.e., the seasons of his 26+ birthday), the player's compensation may exceed the Maximum Salary Budget Charge provided it is during an Option year.

Special Discovery Players

In general, the total amount of the acquisition cost of a player is charged against the Salary Budget in the year in which it is paid. For one player on a club's roster (a "Special Discovery Player"), a club can amortize the total amount of acquisition costs (up to \$500,000) over the term of the player's contract, including Option years, or over the term of the first and second contract, so long as the second contract is signed prior to the expiration of the first. A club may choose to amortize the acquisition costs evenly or in unequal installments. If the Club chooses unequal installments, no less than 10-percent of the amortized acquisition cost may be captured in any given League year of the player's contract.

If a Special Discovery Player leaves MLS prior to the expiration of the term of his contract, any remaining unamortized acquisition costs would be charged immediately to a Club Salary Budget. If a transfer fee is received for the player, any unamortized acquisition costs, including the acquisition cost charged to the Club Salary Budget during the MLS season such transfer occurs, may be recouped prior to any sharing arrangement with the League. Any guaranteed compensation due to the player will continue to be charged to a Club Salary Budget.

- Special Discovery Players must be 27 years old (or younger than the age of 27) during the League Year under consideration (the age of the player is determined by year - not date - of birth).
- There may be no more than one Special Discovery Player per number of clubs in the League (i.e., 29 total Special Discovery Players across the League in 2024).
- A club may have more than one Special Discovery Player on its Senior Roster at any given time if the club received the additional player(s) via trade. However, the club trading the Special Discovery Player may not sign a new Special Discovery Player until the traded Special Discovery Player's original contract expires, the player's contract is terminated, or all the amortized acquisition costs are accounted for in the Salary Budget Charge.
- Targeted Allocation Money may be used on a Special Discovery Player if he qualifies.

Player Acquisition Mechanisms

Clubs may acquire players and add them to their rosters via the following mechanisms:

SuperDraft

The 2024 MLS SuperDraft presented by adidas consisted of three rounds of player selection.

MLS clubs may draft players through the MLS SuperDraft presented by adidas from a list of eligible players which may include:

1. Players who are collegiate sophomores and above;
2. Generation adidas players;

3. Any former college player who departed college with remaining eligibility since the conclusion of the college season approximately one (1) year prior to the SuperDraft (i.e., since the conclusion of the 2022 college season) in order to compete as a professional in a league domestically; and
4. Any other players specifically made available by the league (such as pre-signed College seniors or pre-signed internationals).

Clubs may nominate players for the League's Draft-Eligible List, and only players from that list may be selected.

The MLS SuperDraft order is set by taking the reverse order of the club standings at the end of each MLS season, taking postseason performance into account, with new expansion clubs at the top of the order.

SuperDraft Priority List

Unless claimed on Waivers, a player who was drafted by a particular club through the MLS SuperDraft and did not sign with the League is placed on that club's "SuperDraft Priority List" until December 31 of the year after the draft (i.e., for 2024 MLS SuperDraft, until December 31, 2025), after which the club loses the priority rights to sign the player.

Trades

Players, General Allocation Money, international roster slots, SuperDraft Priority players, Discovery Priority, and Homegrown Player priority in addition to selection position in MLS SuperDraft, Re-Entry Process, and Waivers may all be exchanged in trades approved by the League, provided all of the necessary rules regarding roster and Salary Budget compliance are met and the trade is completed during a valid trading period.

Primary Transfer Window and Secondary Transfer Window

During the season, trades that involve players must occur during either the Primary Transfer Window or Secondary Transfer Window.

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Discovery Process

Discovery List

Pursuant to the Discovery Process, clubs may scout and sign players who are not yet under contract to MLS and who are not subject to another assignment mechanism (e.g., MLS SuperDraft). To sign a player through the Discovery Process, the club must first place the player on its Discovery List. A club may have up to five players on its Discovery List at any time and may remove or add players at any time. There is no limit to how many players a club can sign from its Discovery List. Expansion club San Diego FC may maintain seven Discovery List slots beginning January 1, 2024, through the 2025 Roster Compliance Date, at which point the number of slots will be reduced to five.

Players who were previously on the Allocation Ranking List are now eligible for the Discovery Process. Players transferred out of Major League Soccer will become discoverable one week from when the player's ITC is permanently transferred and the League has notified all clubs.

Clubs may not add the following players to their Discovery Lists:

- Current MLS players
- Players who have played in MLS and were subsequently waived or terminated (such players are available on a first-come, first-served basis)

- Players for whom another club has a Right of First Refusal
- Players who played at college during the college season immediately prior to the date of discovery, and were not on the MLS SuperDraft List, shall be placed on Waivers
- Players who leave or forgo college with remaining eligibility by signing a professional soccer playing, and were not on the MLS SuperDraft List, contract shall be placed on Waivers and are non-Discoverable until one (1) year after the date he left or forwent college
- Underage players (i.e., players under the age of 18 if domestic or under the age of 17 if outside of the U.S. or Canada)
- Homegrown-eligible players (i.e., another club has achieved or is in the process of achieving Homegrown Priority over such a player)
- Free Agents

Designated Player Requests

If a club wishes to add a player to its Discovery List whom the League determines will require a significant investment from the club, the League will, prior to placing that player on a club's Discovery List, determine whether the club has the necessary intent, means, and ability to sign such a player. The League may contact the player's current club (if applicable) and/or his authorized representative to determine the likelihood of reaching an agreement. If the League determines that there is no realistic chance of signing the player at that time he will not be discoverable.

Discovery Conflict Resolution

If one or more clubs attempt to add the same player to their respective Discovery Lists, the club that filed the claim on the earlier date will have the priority right to sign the player. If one or more clubs submit a discovery request on the same day, then the club with the lowest points-per-game in the current MLS regular season (all clubs must have played a minimum of three regular season games) will have the priority right to sign the player. If a club wants to sign a player on the Discovery List of another club that has higher Discovery priority on the player, it may offer that club \$50,000 in General Allocation Money in exchange for the right to sign the player. The club with the player on its Discovery List will then have five days (or three days during the Secondary Transfer Window) to either (i) accept the General Allocation Money and pass on the right to sign the player or (ii) make the player a genuine, objectively reasonable offer.

Related Party Transactions

All terms of any arrangements among an MLS club, a related party club, and a player to be signed to MLS shall be fully disclosed to the League. A player joining an MLS club from a related party club will calculate his Salary Budget Charge based on the compensation he is receiving from his related party club contract and any acquisition fees associated with his signing. The League will make a final determination, in its sole discretion, as to the Salary Budget Charge of such a player.

Homegrown Player Signings

A club may sign a player to a contract without subjecting him to the MLS SuperDraft if the player has been a member of that club's youth academy for at least one year and has met the necessary requirements. Players joining MLS through this mechanism are known as Homegrown Players.

There is no limit on the number of Homegrown Players a club may sign in any given year.

Affiliate Priority Players

In addition to Homegrown Players and SuperDraft Priority Players, clubs may have priority for up to seven players from their respective affiliates (MLS NEXT Pro). Such players will not count towards the seven Discovery List slots. In order to retain priority on any additional affiliate players, such players must be added to an MLS club's Discovery List.

Re-Entry Process

The Re-Entry Process is summarized below and subject to the 2020-2028 MLS Collective Bargaining Agreement.

The Re-Entry Process will commence after MLS Cup. The priority order for the Re-Entry Draft is the reverse order of finish, taking into account playoff performance. Players who are available to be selected in Re-Entry Draft include all option decline and out of contract players who are 22 years old or older with at least one MLS service year and who are not eligible for Free Agency.

Stage One

Players who are available in Stage One of the Re-Entry Draft are:

Players who are at least 22 years old and have a minimum of one MLS service year whose options were not exercised by their clubs.

Players who are at least 22 years old and have a minimum of one MLS service year who are out of contract and whose club does not wish to re-sign them at a \$15,000 increase or 10% increase in salary over his prior year's salary.

Clubs must exercise the option for, or extend a Bona Fide Offer (i.e., \$15,000 increase or 10% increase in salary over his prior year's salary) to, all players selected in Stage One and may not select their own draft-eligible players. Should a player reject the offer, the drafting club will hold the Right of First Refusal for that player in MLS. Players with option years left on their contract will automatically be added to the drafting club's roster.

Stage Two

Players who are not selected in Stage One of the Re-Entry Draft will be made available in Stage Two. If a player is selected in Stage Two, the drafting club will be required to make a genuine offer to the player. If an agreement cannot be reached between the drafting club and the player, the drafting club will hold the Right of First Refusal for that player in MLS. Clubs may not select their own draft-eligible players in Stage Two until all other Clubs have declined to select such players.

Players who remain unselected after Stage Two will be available to any MLS club on a first-come, first-served basis.

A player may choose to opt out of the Re-Entry Process prior to Stage One and/or Stage Two of the Re-Entry Draft. In such instances, the Right of First Refusal for the player will remain with his previous club.

Free Agency

Free Agency will be conducted in accordance with the 2020-2028 MLS Collective Bargaining Agreement.

Waivers

A club may place a player on Waivers at any time during the regular season at which point he is made available to all other MLS clubs. The Waiver Claiming Period shall commence on

the first business day after the League delivers notice to clubs and expires at 5 p.m. ET on the second business day. If a player is not selected off Waivers ("clears Waivers") then that player is available to all MLS clubs on a first-come, first-served basis.

Waiver Order

The Waiver Order is based on points per game once all clubs have played at least three MLS League Season games. If the Waiver takes place prior to all clubs playing in at least three MLS League Season games, priority is granted based upon the previous MLS season's performance, taking playoff performance into account first, with clubs eliminated from playoff contention at the same stage separated according to their point totals through the end of the regular season. New expansion clubs shall be at the bottom of the Waiver Order until all clubs have played at least three MLS League Season games.

Claiming an Out of Contract Player

If a club claims a player who was previously signed to an MLS contract but is no longer signed to an MLS contract, the club must issue the player a genuine offer within three business days.

Claiming a Guaranteed Player

If a player with a guaranteed contract is waived, any interested MLS club will have 48 hours from the notice of Waivers to claim the player by notifying the League of the intention to claim the player and the amount of the player's Salary Budget Charge they wish to assume. The player will be awarded based on a number of factors, including but not limited to, Waiver Order and which club is willing to absorb a Salary Budget Charge that is meaningfully higher than other clubs and at least \$15,000 higher than Senior Minimum Salary. .

Players who are eligible to be placed on Waivers are as follows:

- *Contracted Players:* Any player with an SPA.
- *Completed College Eligibility:* Any player who has completed his college eligibility in the MLS season immediately prior to the MLS SuperDraft and was not on the MLS SuperDraft list.
- *Remaining College Eligibility:* A player who left or forgoes college with remaining eligibility (and was not on the MLS SuperDraft list). Such players will be discoverable one year after leaving or forgoing college with remaining eligibility.
- *Returning Players:* A player returning to MLS who the League was unable to re-sign and his last MLS club does not wish to exercise their Right of First Refusal, or who was previously terminated without going through Waivers.
- *Unsigned Drafted Players:* The day after the drafting club's first MLS regular season game, college players selected in that year's SuperDraft who have not returned to school or signed an MLS contract have the right to be placed on Waivers upon request. If an unsigned college player is placed on Waivers and is not claimed by another MLS club, he will return to his drafting club's College Protected List until the end of the College Protected Period.
- *Out-of-Contract/Option Decline Players:* Any player whose contract has expired or option has been declined, is not eligible for the Re-Entry Process or Free Agency, and who was not offered a genuine offer by his former club. Such a

player will be typically made available in a year-end Waiver Draft or prior to the start of the next MLS League Season.

Once a club selects a player off Waivers, that club is automatically moved to the bottom of the priority list for subsequent Waiver selections in any given season.

Affiliate Short-Term Agreements

A club may sign a player, age 25 or younger during the league season, from its affiliate (MLS NEXT Pro) to a maximum of four Short-Term Agreements (up to four-day contracts) each season (maximum of 16 days).

An individual player may be included on up to four MLS league season match rosters each season, however, that player may appear in no more than two MLS league season matches.

An individual player may appear in any number of non-league games during the terms of his four Short-Term Agreements.

A club may roster up to four players on Short-Term Agreements per MLS league season match, so long as they are Homegrown Players or Players earning less than or equal to the MLS Senior Minimum Salary (\$89,716) with the affiliate. This number will be reduced to one player per MLS league season match after Roster Freeze (inclusive of MLS Cup Playoffs). Additional players may also be signed to Short-Term Agreements for MLS league season games but only in cases of Extreme Hardship.

International Player limits still apply to Short-Term Agreements, excluding callups for cases of Extreme Hardship.

Extreme Hardship Call-ups

Clubs may add players to their roster in cases of "Extreme Hardship." Extreme Hardship exists when an MLS club has either:

1. Fewer than 16 outfield players available; OR
2. Has fewer than two goalkeepers available.

A club may sign players, on loan, to Short-Term Agreements (up to four-day contracts) for MLS league season games in cases of Extreme Hardship.

Season-Ending Injury

Season-Ending Injury List

If a player suffers a season-ending injury, a club may place that injured player on the Season-Ending Injury List and receive roster relief (i.e., an open roster slot). Once placed on the Season-Ending Injury List, the injured player will not be eligible to play for the club in any remaining competition during that MLS season (including any exhibition games or tournaments, including but not limited to: Leagues Cup, Campeones Cup, CONCACAF Champions Cup, Canadian Championship and Lamar Hunt U.S. Open Cup).

Season-Ending Injury Replacement Player

A club may replace an injured player that is on the Season-Ending Injury List with a replacement player in accordance with parameters below.

The club will remain responsible for the injured player's full Salary Budget Charge. Clubs are only able to receive Salary Budget relief (paid out of the club's own pocket) for a season-ending injury replacement under the following parameters:

- The injured player must be formally placed on the Season-Ending Injury List prior to the opening of the Secondary Transfer Window. The replacement player must be declared as such when being added to the club's roster and

must be acquired by the Roster Freeze date (Sept. 13, 2024) and after the related injury occurred.

- The Salary Budget Charge of the replacement player may not be more than the player who suffered the season-ending injury. If the injured player placed on the Season-Ending Injury List is a Designated Player, the club may replace such player with a Designated Player, provided that his Salary Budget Charge is not more than the player he is replacing. The replacement player's charge will not be charged against the Club Salary Budget.
- Clubs will only be allowed to sign one such replacement player per MLS league season.

If the injured player occupies an international roster slot on the Senior Roster, the replacement player may also be an International Player.

Supplemental Season-Ending Injury

If a player on a club's Supplemental Roster suffers a season-ending injury, a club may replace that injured player with a player earning the Reserve Minimum Salary irrespective of the salary earned by the injured player (e.g., if a Generation adidas Player earning more than the Reserve Minimum Salary is injured, he may be replaced by a player earning the Reserve Minimum Salary (subject to the Club Salary Budget)). The Reserve Minimum Salary of such replacement player will be charged to the Club Salary Budget.

Accordingly, a club must have Salary Budget space to replace a player with a season-ending injury on the Supplemental Roster with a replacement player.

If the injured player occupies an international roster slot on the Supplemental Roster, the replacement player may also be an International Player.

Short-Term Injury Replacements

Injured List

If a player suffers an injury that will prohibit him from participating in six or more MLS league season games, a club can place that injured player on the Injured List. An injured player placed on the Injured List will remain unavailable for a minimum of six MLS league season games and may not participate in any exhibition games or tournaments during that period, including CONCACAF Champions Cup, Canadian Championship, Lamar Hunt U.S. Open Cup, Leagues Cup, and Campeones Cup games.

Senior Roster Players on the Injured List

If a player on a club's Senior Roster is put on the Injured List, the club may receive roster relief (i.e., an open roster slot). The club will not receive salary budget relief for that player and will be responsible for the injured player's full Salary Budget Charge. Only clubs that have or can create extra Salary Budget space will be able to temporarily replace players on the Injured List. A club must have priority over any replacement player it adds (e.g., via Discovery, Right of First Refusal, etc.)

If the injured player occupies an international roster slot on the Senior Roster, the replacement player may also be an International Player.

NOTE: No changes may be made to a club's roster after the Roster Freeze Date (Sept. 13, 2024) and running through the day after MLS Cup. Nevertheless, a club may obtain players in accordance with the Extreme Hardship rules and procedures after the Roster Freeze Date.

Methods of Removing a Player from a Roster

Waivers

Clubs may waive players at any time during the MLS season. A club may waive a Semi-Guaranteed Player at any time during the regular season until three business days prior to the Contract Guarantee Date. A club may waive a Guaranteed Player (at any time) or a Semi-Guaranteed Player (after the Contract Guarantee Date) only with League approval. Clubs may not waive a player between the Roster Freeze Date and MLS Cup. Semi-Guaranteed Players waived on or after the Contract Guarantee Date and Guaranteed Players waived anytime, and who clear Waivers (i.e., not picked up by another club), will continue to have their respective Salary Budget Charges count against the applicable Club Salary Budgets.

Transfers and Loans

An MLS player may be transferred or loaned at any time to a non-MLS club (subject to the receiving club's applicable federation's transfer window), and subject to the consent of the player.

Transfer and Loan Fees

The revenue share from transfers or loans for clubs is as follows:

- A club shall receive 95% of the corresponding transfer or loan fee revenue from any transaction, after it has recouped all out-of-pocket cash payments made by the club in connection to that player (if applicable).

Usage of Revenue

The club's share of transfer revenue may only be used as follows:

A club may assign a maximum of \$3,000,000 of transfer/loan revenue as General Allocation Money per season. Previously, a club could receive up to \$1,215,506 in 2024 for individual player transfers. GAM earned through player transfers can be applied in the current or future seasons.

The remaining balance of the club's share (if any), and which cannot be traded, will be distributed by the League to the Club as cash.

Intraleague Loans

Clubs may loan players to another MLS club subject to the following:

- A field player must be 24 years old (or younger than the age of 24) during the League Year (i.e., cannot turn twenty-five (25) during the League Year); a goalkeeper must be 28 years old (or younger than the age of 28) during the League Year (i.e., cannot turn twenty-eight (28) during the League Year).
- Each club may loan up to two players to another MLS club per season.
- The loan must be initiated during the Primary Transfer Window or Secondary Transfer Window.
- Intraleague Loans that are initiated prior to the close of the Primary Transfer Window may allow the loaned player to be recalled during the Secondary Transfer Window as agreed upon between the two clubs. If recalled, such a player must remain with his original club for the remainder of the MLS season.
- Except in an instance where the player is recalled as outlined above, he must remain with his new club for the entire MLS Season.
- The player may compete against his former club during the MLS Season while on loan (includes MLS League Season games and all other competitions).

Loan of a Player by MLS

A club may loan any player from its Senior Roster or Supplemental Roster to a non-MLS club, subject to League discretion. During the loan period, the club will receive roster relief but not Salary Budget relief unless otherwise determined pursuant to the loan agreement. If the player is recalled from his loan, the club must have an available roster slot in order for the player to be eligible for MLS League Season games.

If the loaned player is an International Player, then his replacement may be an International Player and occupy an international roster slot.

Loan of a Player by MLS to Affiliate Club (MLS NEXT Pro)

- All loans from MLS clubs to its affiliates must be free (i.e., no loan fees paid by MLS NEXT Pro affiliate clubs).
- If an MLS player is loaned to an affiliate, such a player may not be paid more than the player's Salary Budget Charge without that compensation being captured on the MLS club's Salary Budget (including, but not limited to, performance bonus compensation).
- An MLS club can receive roster relief and budget relief for a maximum of one player loaned to its MLS NEXT Pro affiliate or a lower-division club in the U.S. or Canada; provided, however, that:
 - The player is under the age of 25 (i.e., he does not turn 25 prior to the end of the calendar year);
 - The player's Salary Budget Charge is less than or equal to the MLS Senior Minimum Salary (including any loan fees, transfer fees, agent fees, housing, car, etc.); and
 - The loan must be a season-long free loan;
 - The player has not appeared on a gameday roster for the MLS Club as of the beginning of the applicable loanee club's season; and
 - The loan of the player to the loanee club must last for the remaining duration of the entire loanee club's season; provided, however, that such a player may be recalled to his MLS club in the case of Extreme Hardship.

Buyout of Guaranteed Contract

A club may buyout one player (including a Designated Player) who has a Guaranteed Contract and free up the corresponding Salary Budget space each year. Such a buyout is at the club's expense and may apply to any mutually terminated contracted player or to a contract that remains in effect.

This buyout may be conducted in-season or during the offseason. If the buyout is conducted in-season, it must be concluded by the close of the Secondary Transfer Window. Before a player is considered a buyout, the League in its discretion may place the player on Waivers to be made available to all clubs.

If a team no longer has its one buyout of a guaranteed contract, it may enter settlement discussions with a player, but such settlement shall continue to apply to the team's Salary Budget. If said player is a Designated Player, he will continue to occupy a Designated Player position on the team's roster.

Right of First Refusal

Subject to rules regarding the Re-Entry Draft and Free Agency, if a former MLS player, who the League previously attempted but was unable to re-sign, returns to MLS, his former club will have a Right of First Refusal.

That club will not have a Right of First Refusal if:

- The club received any consideration in connection with the transfer of such player to a non-MLS club; or
- The player was excluded from possible selection in the Expansion Draft.

Allocation Money

Allocation Money is money that is available to a club in addition to its Salary Budget, as either (i) General Allocation Money; or (ii) Targeted Allocation Money (guidelines for each set below).

General Allocation Money

Each club receives an annual allotment of General Allocation Money (GAM). In 2024, that allotment is \$2,585,000 per club. Beginning in 2025, a club may receive an additional \$2,000,000 in General Allocation Money if they select the U22 Initiative Player roster construction model prior to the start of the season. In 2024, clubs who elect for the U22 Initiative Player Model will receive \$1 million in General Allocation Money due to midseason implementation.

A club may also receive General Allocation Money in the following cases:

- Failure to qualify for the MLS Cup Playoffs
- The transfer of a club's player to non-MLS club outside MLS
- Qualification for the CONCACAF Champions Cup
- Expansion Clubs (see below)
- Expansion Dilution (see below)
- Designated Player charge distribution

In any year that the League adds one or more expansion clubs, (i) all clubs will receive an equal amount of General Allocation Money and (ii) any club that loses a player in the Expansion Draft will receive additional General Allocation Money. New expansion clubs receive a separate amount of General Allocation Money for their inaugural season.

General Allocation Money can be traded by clubs.

Buy-Down

Allocation Money can be used to "buy-down" a player's Salary Budget Charge as part of managing a club's roster, including buying down a Salary Budget Charge below the League maximum of \$683,750. For example, a club may buy-down a player earning \$700,000 to a Salary Budget Charge of \$500,000 by using \$200,000 of General Allocation Money.

Use against a Salary Budget Charge

A club can use General Allocation Money to reduce a player's Salary Budget Charge to the lesser of 50% of the Salary Budget Charge or \$150,000. This restriction does not apply where General Allocation Money is being used on a loan or transfer fee; a club may reduce 100% of a loan or transfer fee.

Targeted Allocation Money Available Per Year

- 2024: \$2,400,000 per club
- 2025: \$2,225,000 per club

- 2026: \$2,125,000 per club
- 2027: \$2,025,000 per club

Targeted Allocation Money may be used in the following ways:

- Clubs may use the funds to sign a new player provided his salary and acquisition costs are more than the Maximum Salary Budget Charge.
- Clubs may re-sign an existing player provided he is earning more than the Maximum Salary Budget Charge.
- Clubs may use all or a portion of the available Targeted Allocation Money to convert a Designated Player to a non-Designated Player (assuming such player's Salary Budget Charge meets the salary parameters described below) by buying down his Salary Budget Charge at or below the Maximum Salary Budget Charge.
- A club retains the flexibility to convert a player previously bought down with Targeted Allocation Money into a Designated Player if that club has a free Designated Player slot.

Targeted Allocation Money may not be traded.

Salary Parameters

A player must earn more than 2024 Maximum Salary Budget Charge (\$683,750) to qualify for Targeted Allocation Money. The compensation ceiling for such eligible players is set at \$1,683,750 in 2024.

A player cannot have his Salary Budget Charge bought down below \$150,000 using Targeted Allocation Money.

NOTE: To protect the interests of MLS and its clubs during discussions with prospective players or clubs in other leagues, amounts of Allocation Money currently held by each club will not be shared publicly. Only in the case of a trade will the amount of General Allocation Money involved be made public.

2024 Salary Budget Information

- Club Salary Budget - \$5,470,000
- Maximum Salary Budget Charge - \$683,750
- Senior Minimum Salary - \$89,716
- Reserve Minimum Salary - \$71,401
- Designated Player Salary Budget Charge - \$683,750
- Second Designated Player Salary Budget Charge - \$683,750
- Third Designated Player Salary Budget Charge - \$683,750
- Young Designated Player Budget Charge (20 years old or younger during the League Year) - \$150,000
- Young Designated Player Budget Charge (21-23 years old during the League Year) - \$200,000
- Mid-Season Designated Player Salary Budget Charge - \$341,875
- Mid-Season Young Designated Player Salary Budget Charge (23 years old and younger) - \$150,000
- Maximum Targeted Allocation Money Amount - \$1,683,750
- U22 Initiative Slot Budget Charge (20 years old or younger during the League Year) - \$150,000

- U22 Initiative Slot Budget Charge (21-25 years old during the League Year) - \$200,000

Player Professional Development Role

A Club may choose to designate, with prior League approval, to employ one Player per year in a professional development role.

The following parameters apply:

- The Player's professional development role must be approved prior to the Roster Compliance Date and last through the full season.
- The Player must have responsibilities enabling him to develop skills in different parts of the Club's business, including but not limited to coaching, scouting, front office duties, diversity liaison.
- If the Player's professional development role will include coaching responsibilities:
- He must only have coaching responsibilities with respect to the MLS club's affiliate and/or academy (i.e., cannot have coaching responsibilities with respect to the first team); and
- He may not be on Loan to the MLS Club's affiliate during the League Year in which he is serving in the professional development role, if the Player Coach has coaching responsibilities with respect to such Affiliate.
- The Player must turn or be older than 25 years old during the League Year in which he is employed in the professional development role.
- The Player may not be Loaned out for an extended period.
- The MLS Club must designate a mentor within the MLS Club who will guide and monitor the Player's development plan and process. The League may request detailed progress reports from the mentor throughout the course of the MLS Season. Failure to provide sufficient progress reports upon request by the League may result in the Player losing such professional development role designation and the MLS Club being prevented from designating another professional development role for at least five years.
- The proposed compensation for the Player's professional development duties must be commensurate with salaries for similar roles when taking into account the expected number of hours of such duties, including being commensurate with salaries paid to former League "player-coaches" if the professional development duties are coach-focused. Moreover, for professional development roles entered into after the 2022 MLS season is over, the League will not approve compensation that is over \$75,000.

Required Information:

In order to obtain League approval, which may be granted by the League in its sole and absolute discretion, Clubs must provide the following:

Detailed job description, which must include, at a minimum:

- if the Player will have coaching responsibilities, a requirement that the Player obtain a coaching certification (at least a B license) and detailed plan as to how the Player will obtain such coaching certification and whether the Player will assist with the MLS Club's affiliate or academy players; and
- Job responsibilities; and

- Time commitment required.
- Proposed compensation for duties and comparisons to salaries for similar roles when taking into account the expected number of hours of non-Player duties.
- The League recognizes that certain positions may be more difficult to find comparable salaries, and the burden is on the Club to use best efforts to make correlations to other roles, leagues, etc. to present to the League.
- The League will consider proposed compensation in light of former League Player-Coaches.
- As a Player's primary responsibility is as a Player, in no event shall a Player's compensation for his non-Player duties exceed fifty percent (50%) of his Unadjusted Salary Budget Charge for the year.