

AGREEMENT BETWEEN THE OFFICE OF THE COMMISSIONER OF BASEBALL AND
THE OFFICE OF THE COMMISSIONER OF NIPPON PROFESSIONAL BASEBALL

1. If a member Club of Nippon Professional Baseball (hereinafter referred to as an “NPB Club”) wishes to contact and engage a baseball player, professional or amateur, who is currently playing or has played baseball in the United States or Canada and/or is under contract with, or reserve to, one of the thirty Major League Baseball Clubs in the United States and Canada (hereinafter referred to as an “MLB Player”), the NPB Club shall first request that the Office of the Commissioner of Nippon Professional Baseball (hereinafter referred to as the “NPB”) determine the status and availability of the MLB Player by communicating with the Office of the Commissioner of Baseball (hereinafter referred to as the “BOC”). The BOC shall respond to any such inquiry from the NPB by determining the status of the MLB Player and conveying that determination to the NPB within four (4) business days. The NPB shall keep the identity of any NPB Club(s) inquiring as to the status of an MLB Player confidential in its communications with the BOC.

2. If the MLB Player is on the Reserve, Active, Disabled, Military, Voluntarily Retired, Bereavement / Family Medical Emergency, Paternity, Restricted, Disqualified, Suspended or Ineligible List of any of the thirty Major League Baseball Clubs in the United States or Canada (hereinafter referred to as a “Major League Club”) or their Minor League affiliates, as such Lists are described in the Major League Rules in effect at the time, the NPB Club shall not contact or engage the MLB Player unless approval to do so has been expressly given by such Major League Club through the BOC.

3. If it is determined by the BOC that the MLB Player is not one for whom approval must be obtained under Paragraph 2, the BOC shall so notify the NPB, and the NPB Club may

then contact and engage the MLB Player. If approval is required under Paragraph 2, the BOC shall notify the NPB of the approval or disapproval of the Major League Club to which the MLB Player is under contract or reserve.

4. If a Major League Club wishes to contact and engage a baseball player, professional or amateur, who is currently playing or has played baseball in Japan and/or is under contract with, or reserve to, an NPB Club (hereinafter referred to as an “NPB Player”), the Major League Club shall first request that the BOC determine the status and availability of the NPB Player by communicating with the NPB. The NPB shall respond to any such request from the BOC within four (4) business days. The BOC shall keep the identity of any Major League Club(s) inquiring of the status of an NPB Player confidential in its communications with the NPB.

5. If the NPB Player is on the Reserve, Voluntarily Retired, Restricted, Disqualified, Suspended or Ineligible List of any NPB Club, as such Lists are described in the Japanese Professional Baseball Rules in effect at the time, the Major League Club shall not contact or engage the NPB Player unless approval to do so has been given by the NPB Club through the NPB and then only pursuant to the procedures set forth in Paragraphs 7 through 12 below. An NPB Club shall not release a Player prior to the expiration of the Player’s reserve to such Club in order for the Player to pursue a contact with a Major League Club except in accordance in the procedures set forth in Paragraphs 7 through 12.

6. If it is determined by the NPB that the NPB Player is not one for whom approval must be obtained under Paragraph 5, the NPB shall so notify the BOC and the Major League Club may then contact and engage the NPB Player. If approval is required under Paragraph 5,

the NPB shall notify the BOC of the approval or disapproval of the NPB Club. If approval is granted, the procedures set forth in Paragraphs 7 through 12 below shall apply.

7. With respect to an NPB Player covered by Paragraph 5 who an NPB Club wishes to make available to the Major League Clubs, the NPB Club shall request that the NPB notify the BOC of: (i) the NPB Club's desire to make the NPB Player available; and (ii) the Release Fee that the Major League Club must pay to the NPB Club to secure the Player's release in the event that the Major League Club and the Player reach an agreement. The NPB Club may not set the Player's Release Fee at an amount higher than \$20,000,000. After the NPB notifies the BOC of the Player's Release Fee, the Release Fee may not be altered by the NPB Club for the duration of the Player's posting.

8. The BOC shall "post" the NPB Player's availability by notifying all Major League Clubs of the intention of the NPB Club to make the Player available, and the amount of the Release Fee that the Major League Club must pay to the NPB Club to secure the Player's release. All requests by NPB Clubs for postings must be made during the period commencing on November 1 of a given year and ending on February 1 of the following year, and must be accompanied by the NPB Club's complete medical file for the NPB Player subject to the posting, which will in turn be made available to the Major League Clubs.

9. At 8:00 a.m. (ET) on the day following the day when the BOC informs Major League Clubs of the NPB Player's posting (and the amount of the Release Fee), any Major League Club that is willing to pay the Player's Release Fee may negotiate with the Player in an attempt to reach an agreement on a contract. A Major League Club will have until 5:00 p.m. (ET) on the thirtieth (30th) day following the day when the BOC posts the Player to reach an

agreement with the Player on a contract (hereinafter referred to as the “Negotiating Deadline”). In the case of a Major League Contract, the BOC and the Major League Baseball Players Association must confirm terms of the contract prior to the Negotiating Deadline, and, in the case of a Minor League Contract, all material terms must be reported to the BOC by the Negotiating Deadline. A contract confirmed by the BOC and the Players Association or reported to the BOC (in the case of a Minor League Contract) cannot be contingent on a subsequent event such as the Player passing a physical or the Player obtaining a visa.

10. If a Major League Club reaches an agreement with the NPB Player in accordance with Paragraph 9 above, the Major League Club must pay the NPB Club the Release Fee, and the NPB Club must release the Player, in accordance with the schedule described below. The NPB Club is not permitted to negotiate with the Major League Club with respect to any modifications to the Release Fee. The NPB Club shall release the Player within five business days from the receipt of the first installment of the Release Fee.

- a. The Major League Club shall have eighteen (18) months from the date when terms of the Player’s contract were confirmed or reported (as described in Paragraph 9 above) to pay the NPB Club the Release Fee if the Release Fee is greater than or equal to \$10,000,000. The Major League Club shall pay the NPB Club the Release Fee in four installments: the first installment being 50%, the second installment being 17%, the third installment being 17% and the final installment being 16% of the Release Fee. The first installment shall be paid no later than fourteen (14) days from the date when terms of the Player’s contract were confirmed or reported (as described in Paragraph 9 above); the second installment shall be paid no later than six (6) months from the date when the Player’s contract is confirmed or reported; the third

installment shall be paid no later than twelve (12) months from the date when the Player's contract is confirmed or reported; and the final installment shall be paid no later than eighteen (18) months from the date when the Player's contract is confirmed or reported. The BOC shall provide the Major League Club and the NPB with the payment schedule for the Release Fee containing the exact dates on which each installment becomes due. No later than thirty (30) days from the date when terms of the Player's contract were confirmed or reported (as described in Paragraph 9 above), the Major League Club shall execute, and provide the NPB Club with, a written document in which the Major League Club shall promise to make payments to the NPB Club in accordance with the payment schedule.

- b. The Major League Club shall have twelve (12) months from the date when terms of the Player's contract were confirmed or reported (as described in Paragraph 9 above) to pay the NPB Club the Release Fee if the Release Fee is less than \$10,000,000. The Major League Club shall pay the NPB Club the Release Fee in two equal installments. The first installment shall be paid no later than fourteen (14) days from the date when the Player's contract is confirmed or reported, and the remaining payment shall be due no later than twelve (12) months from the date when the Player's contract is confirmed or reported. The BOC shall provide the Major League Club and the NPB with the payment schedule for the Release Fee containing the exact dates on which each installment becomes due. No later than thirty (30) days from the date when terms of the Player's contract were confirmed or reported (as described in Paragraph 9 above), the Major League Club shall execute, and provide the NPB Club

with, a written document in which the Major League Club shall promise to make payments to the NPB Club in accordance with the payment schedule.

11. If the Player fails to reach an agreement with a Major League Club by the Negotiating Deadline, the Player may not be posted again until the following November 1, and no Club shall pay the Release Fee to the Player's NPB Club. If after confirmation or reporting of terms, the NPB Player refuses to execute a contract with the Major League Club, the Major League Club shall not be required to pay the Release Fee until such time as the Player agrees to execute his contract and perform services for the Club.

12. Until Major League Clubs are permitted to negotiate with an NPB Player pursuant to Paragraph 9 above, there shall be no direct or indirect contact between any Major League Club, on the one hand, and any NPB Club or NPB Player (or their respective representatives), on the other, regarding the potential posting of the Player, the amount of the Release Fee, or the potential terms of the Player's contract with the Major League Club. A Major League Club (and its related parties, officers and employees) is prohibited from providing any money or other things of value, either directly or indirectly (including through the Player or his representatives), to the NPB Club (and its related parties, officers and employees) other than the Release Fee associated with the Player. The BOC shall have the authority to take any action that it deems appropriate in the event it concludes that conduct prohibited by this Paragraph has occurred, including, but not limited to, voiding any contract between an NPB Player and a Major League Club, barring a Major League Club from negotiating with an NPB Player, or terminating a posting. Either the NPB or BOC shall immediately notify the other party of any negotiations or

transactions it becomes aware of between Major League Clubs and NPB Clubs or NPB Players that violate the terms of this Agreement.

13. This Agreement is not intended to be, and shall not be interpreted as, inconsistent with the existing or future laws of either the United States or Japan. If changes in the laws of either country create a conflict with the terms of this Agreement, the parties shall attempt to renegotiate any conflicting provisions of the Agreement and, if no appropriate modifications can be agreed upon, either party may terminate the Agreement upon ten (10) days' written notice to the other.

14. If either party to this Agreement has a material change in its reserve rules or any other rule identified in this Agreement, that party shall immediately notify the other party of any such change, and the other party shall have the right to seek renegotiation of and/or termination of this Agreement upon ten (10) days' written notice.

15. Subject to Paragraphs 13 and 14 above, this Agreement shall have a term of three (3) years commencing on November 1, 2013 and ending on October 31, 2016 ("the Initial Termination Date"). One hundred and eighty (180) days prior to the Initial Termination Date, both the BOC and the NPB shall have the right to give notice of its intention to modify or terminate this Agreement and, promptly after the issuance of such notice, the parties shall commence discussions concerning the extension or amendment of this Agreement. If neither the BOC nor the NPB gives notice of its intention to modify or terminate this Agreement one hundred and eighty (180) days prior to the Initial Termination Date, this Agreement shall continue from year-to-year until either the NPB or the BOC gives notice of its intention to

modify or terminate this Agreement one hundred and eighty (180) days prior to any anniversary of the Initial Termination Date.