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- Once a franchise is branded, it cannot be rebranded for a five (5) year period.
- If a new owner wants to rebrand their franchise, there will be a fee to do so. Rebranding fee will be split between the prize pool and league development.

SECTION 1.4 - SELLING A FRANCHISE

An owner can sell a franchise if they wish. The sale of a franchise must be approved by the league in order to ensure all franchise requirements are met. This approval process is in place to protect the ability of the league to function in a professional manner. See Revenue Chart (Appendix A) for distribution of revenue for an already owned franchise sale. Franchises are technically always for sale; anyone can make an offer to a franchise owner at any time. (See Section 8 - Marketplaces on the UFLB platform.)

• If a franchise announces that their franchise is for sale, their roster will be monitored by the Competition Committee and potentially frozen until the franchise is sold.

SECTION 1.5 - DISCIPLINARY ACTION

If an owner is not participating in the game or not following the wishes of the governing committee, they will be brought in front of the committee and action will be taken in the best interest of the league.

• If a franchise is seen as "selling off" their assets and putting the level of competitiveness of their franchise in jeopardy, the franchise will no longer be able to make trades with monetary value unless it is improving the competitiveness of their roster and/or their franchise may be put on a roster freeze. These actions will be decided upon by the Commissioner and the Competition Committee (See 8.13 Competition Committee).

SECTION 1.6 - FAILURE TO PARTICIPATE

If a franchise owner is no longer responsive and is not participating in the league, UFF Sports retains the right to revoke that digital asset. A replacement ZRC-2 franchise will be minted and sold at auction or privately to a new owner. There will never be more franchises than the real-world league it is based on unless the real-world league contracts.

- If a franchise owner does not pay the annual entry fee for the season before the deadline, the franchise can be revoked and will be frozen until the fee is paid or the franchise is sold.
- Franchise will be sold privately or auctioned off.
- If a franchise owner is no longer responsive during the season/playoffs and wins prize pool money, the following will take place:
- The league will hold the winnings for 6 months from the day it was won.
- If no communication from the owner in that time and the next season starts, the winnings will be added to that season's prize pool.





An owner of a franchise can hire a general manager to run their team or any other management staff members.

SECTION 2.1 GENERAL MANAGER APPROVAL

A franchise must notify the league when hiring a general manager. Scouts can be both a scout and a GM.

SECTION 2.2 GENERAL MANAGER CONTRACT

This is negotiated between the franchise owner and the GM. The UFLB does not need to know the details of the contract that is signed between the two parties. The owner can also replace or release (fire) their GM whenever they see fit or as per the negotiated contract with GM and hire as many staff members as they would like.

SECTION 2.3 GENERAL MANAGER/FRONT OFFICE STAFF LIST

The league will start compiling a list of interested parties for position among franchises and owners/ownership groups can conduct interviews and hire for positions if they don't have any candidates.



SECTION 3 scouts

Scouts are a unique but integral part of the UFF Sports ecosystem. Scouts will be responsible for registering players on the blockchain.

SECTION 3.1 REGISTRATION

A scout must register as a scout at www.UFFSports.com. The one-time fee to register is \$25 USD. This one-time fee allows for scouting multiple sports within UFF Sports. A scout cannot be an franchise owner and a franchise owner cannot be a scout, however affiliation between scout and franchise is allowed

SECTION 3.2 OWNERSHIP

A scout that registers a player has full ownership of that player's fantasy rights until they are selected in the UFLB Entry Auction or the player's rookie status expires. The scout has the right to sell or trade the player's fantasy rights at their discretion and franchises can also lease players from scouts for other leagues. Scouts can operate as an independent but can also be affiliated with a franchise. When the actual player joins UFFS, their NFT is minted in the form of a unique token/digital asset that represents that player and will never be duplicated.

SECTION 3.3 SCOUTING AGENCIES

Scouts are allowed and encouraged to start their own agency, with the potential for multiple scouts working under one agency. Scouts can scout across all leagues that are associated with UFF Sports; they are not limited to one sport.

SECTION 3.4 FRANCHISE AFFILIATION

Scouts can be affiliated with a franchise(s). Terms and conditions of those affiliations are between the owner and scout and do not need to be disclosed to the UFLB.

SECTION 3.5 REGISTRATION OF A PLAYER

Players on the Open Market can be registered by scouts for a flat rate of \$20 USD worth of SCO. Scouts register players on the UFFS website. The youngest players must be draft eligible within the next three MLB Drafts. This is a description of player eligibility taken from MLB.com.



Generally, a player is eligible for selection if the player is a resident of the United States or Canada, and the player has never before signed a Major League or Minor League contract. Residents of Puerto Rico and other territories of the United States are eligible for the Draft.

Also considered residents are players who enroll in a high school or college in the United States, regardless of where they are from originally. Certain groups of players are ineligible for selection, generally because they are still in school. The basic categories of players eligible to be drafted are:

- High school players, if they have graduated from high school and have not yet attended college or junior college.
- College players, from four-year colleges who have either completed their junior or senior years or are at least 21 years old; and
- Junior college players, regardless of how many years of school they have completed

SECTION 3.6 PLAYER SALE

Scouts can sell their registered players to a franchise or another scout. The minimum sale price is \$25 USD. There is no maximum sale price. Scouts can sell their player in a private/direct sale or put their player up for auction. (See Appendix A - Revenue Chart for revenue breakdown of scout sales and Section 11 - Auctions) A scout cannot sell a player to a franchise until they are MLB property (drafted or signed). Once we have the minor league system and other leagues up and running scouts will be able to lease or sell players to franchises in those leagues if their player is in that league.

SECTION 3.7 FORCED PLAYER SALE

Scouts can own players if they are rookie eligible for the following season, providing they aren't selected in the Entry Draft Auction. A player shall be considered a rookie unless he has exceeded the following thresholds:

130 career at-bats, 50 innings pitched or has accumulated 45 days on an active 26-man roster. Also, once a player reaches the age of 25, they will no longer be considered a rookie.

Upon losing rookie status, that player is subject to a forced auction with a minimum bid of \$25 USD. (See Section 11 - Auctions)

SECTION 3.8 PLAYERS ON THE BLOCKCHAIN

All players are registered by scouts, so if a player that a franchise wants is not on the blockchain, the franchise needs to get a scout to register the player for them and then the franchise can purchase that player from the scout. Only scouts can register players onto the blockchain.

SECTION 3 SCOUTS





SECTION 4
LEAGUE ADMINISTRATION

SECTION 4.1 FILLING LEAGUE ADMINISTRATION POSITIONS

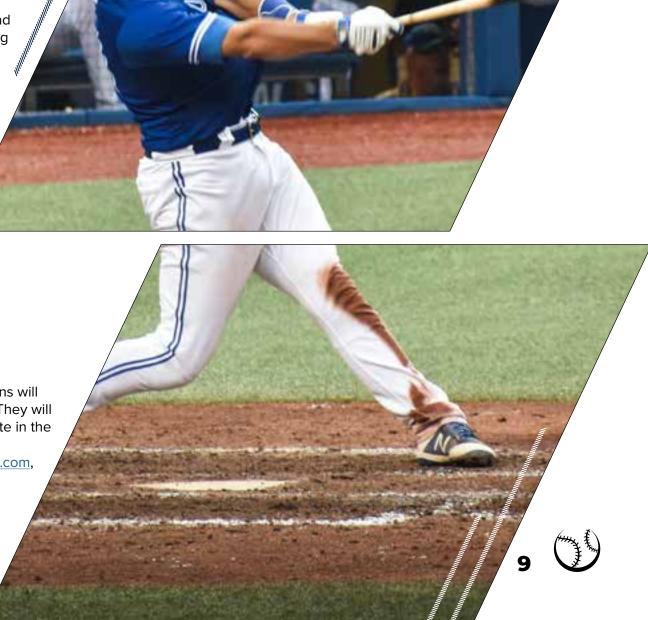
The UFLB commissioner is Dean Millard, who is also Head of Baseball Operations for UFFS. The Director of Scouting is Bryan Hernandez. The Director of Competition is Matt Soren. The Director of Recruiting is Gerald Smiley.



SECTION 5.1 FANS

Are just that, they are fans of the 30 UFLB franchises. Fans will support their favourite franchise and attend live events. They will also be able to purchase Score Coin (SCO) and participate in the UFF Sports betting platform.

- Registration register as a Fan for free at <u>UFFSports.com</u>, there is no fee.
- Hodlers Fans will also purchase Score Coin to hold in anticipation of growth for this worldwide Fantasy Sports ecosystem.



BLUE JATS

SECTION 6 EVENTS

Franchise Auctions – 30 franchises will be available to the highest bidders, with the auction results also determining the draft order for every round of the one and only 26 round player draft. The higher you bid, the higher you pick in the draft!

The Auction will start on Friday, November 5 and end on Sunday, November 7 (times TBD). All 30 franchises will start and end at the same time and any extensions will extend all franchises. Any bid in the final 2 minutes will trigger 'Extra Innings' and reset the clock to 2 minutes for all 30 franchises. Auction ends when there are no bids on any franchises for a full 2 minutes.

26 Round Player Draft – A ONE-TIME event, drafting players to the Franchises. This draft will take place closer to the 2022 season. The picks in the one and only Player Draft will be determined by the auction. The highest bidder receives the first pick, the lowest bidder receives the 30th pick. This will be the order for the entire draft (non-snaking format). If you are the 15th highest bidder, you pick 15th every round. To be eligible, a player must have played in one game in either 2019, 2020 or 2021 and must be an active player and not be retired.

Top Prospects Auction – this one-time event auctions off the top prospects whose rights are already owned within MLB but have yet to play at game in MLB. This auction is open to both Franchises and Scouts, featuring a select number of players chosen by Scouting Director Bryan Hernandez.



SECTION 7 PLAYER REGISTRATION

• All players must be registered on the blockchain in order to be part of fantasy leagues in UFF Sports.

• Scouts are the ONLY users who can register players on the blockchain. Franchise owners can NOT register players on the blockchain.

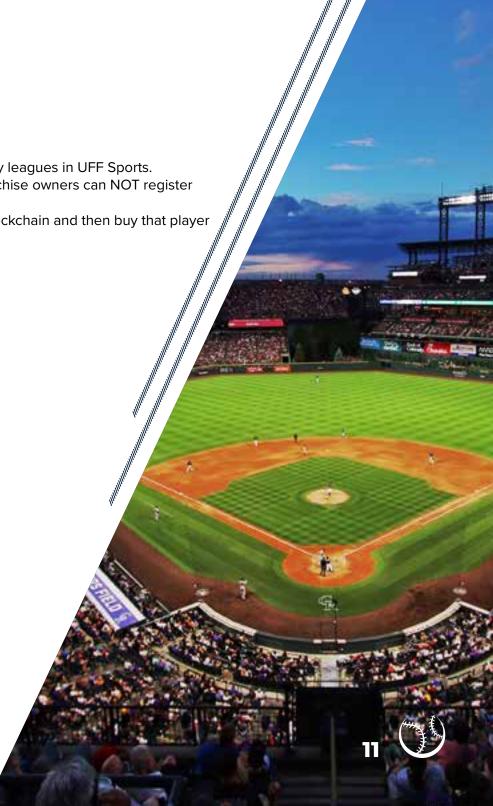
• Franchises can contact a scout and request a player be registered on the blockchain and then buy that player from the scout.

• Once players are on the blockchain, they cannot be duplicated.

• When players are registered, the platform will ask for their name and vitals.

• The youngest players will be determined by the data available and is TBD.





SECTION 8 MARKETPLACES ON THE UFFS PLATFORM

FRANCHISE MARKETPLACE

Every franchise is always for sale, available for offers/bids. Franchise owners can also list their franchise for a set asking price.

PLAYER MARKETPLACES

- · Active Players owned by a franchise in a UFLB.
- Free Agents owned by the league UFLB, having previously been owned by a franchise and bought out or released as a pending free agent.
- Pro Players 50+ innings pitched for pitchers. 130+ at-bats for position players or has accumulated 45 days on an active 26-man roster.
- Prospect Players drafted, signed or no longer MLB draft eligible due to birthdate/age (scout owned)
- Draft Prospect Players draft eligible for the current MLB draft year (scout owned)
- Future Players prospects for future MLB drafts, 1-2 years away from draft eligible (scout owned)
- Retired Players former MLB players owned by franchises (scouts will also be able to register/own Retired Players in the future, following the initial Legends Auction)
- Legend Players prominent retired players with value for future Legends Leagues (not currently available to be registered/owned by scouts)

SECTION 9 LEAGUE PLAY (ULTIMATE FANTASY LEAGUE BASEBALL - UFLB)

The UFFS gameplay engine is currently in development and the hope is it will be ready for the 2022 season. If not, Fantrax be used until the UFFS platform can support gameplay (Date TBD).

UFLB will be a daily roster league with a season long points format. Each day players accumulate points for their franchise. At the end of the regular season the division winners and wild card teams will advance to the post season where matchups will be head-to-head and last as long as each MLB post season round. Four teams will face each other in two wild card games with the winners advancing to face the highest seeded division winner in each conference. The other two division winners square off with two teams advancing to each conference championship and the winners meeting in the league championship series.

SECTION 9.1 ANNUAL ENTRY FEE

There is no annual entry fee for the first season, a portion of the franchise auctions will start the prize pool and a portion of transactions will continually contribute to the progressive prize pool. There are transaction fees for every move so owners will require more SCO than just what they purchase their franchise with.

In future seasons, the annual entry fee will be decided at the midseason Owners' Meeting following the trade deadline. The entry fee will always be a percentage of the prize pool, which is capped for each season after the trade deadline.

•If the annual entry fee is not paid on time, the franchise may be revoked or frozen by the league and the franchise will not accumulate any fantasy points until fee is paid in full.

•Annual Entry Fee is to be paid 48 hours after the World Series/UFLB Championship is finished.

SECTION 9.2 LEAGUE STRUCTURE

The UFLB will be split into two conferences with 15 franchises in the Vin Scully Conference and 15 franchises in the Harry Caray Conference. Franchises will be split into 6 yet unnamed divisions. The top 6 bidders will get to choose the name of the division they will play in — all divisions will be named after a member of the Baseball Hall of Fame. The top bidders will also get to choose which conference their division is in. Once 3 divisions have filled one conference, the remaining divisions are automatically assigned to the other conference.

SECTION 9.3 ROSTER DURING REGULAR SEASON

The Finest I

Rosters need to always be legal during the regular season or no fantasy points will be accumulated, and fines will be assessed. Roster Requirements:

- Maximum 26 players on active roster (28 from September 1 to end of season depending on tech limits).
- No maximum for pitchers.
- 9 batters in starting lineup (Including DH)/9 pitchers (5 starting pitchers/4 relief pitchers).
- C, 1B, 2B, 3B, SS, LF, CF, RF, DH.
- Players must meet position eligibility including outfielders who must be eligible to play Left Field, Centre Field or Right Field. Games played threshold for position eligibility to be determined.
- 18 active players/8 bench players.
- 40 Man List Includes the 26 players on the active roster and 14 players in the team's system. Can be a mix of players they are able to call up who still have options or draft picks. This will work as a protected list until we have minor league system running. Players out of options will need to pass through waivers to be sent to a club's 40-man list.
- Up to 14 players/prospects of any position (no positional limits) can fill out the 40-man list.
- Active Roster must remain under the Competitive Balance Tax Threshold or pay fine (see 9.4).
- Minimum roster requirement is 25 players.



SECTION 9.4 COMPETITIVE BALANCE TAX (LUXURY TAX)

UFLB will follow the same rules as MLB. If MLB changes their Luxury Tax numbers, so will UFLB. The 2021 Luxury Tax threshold was \$210,000,000. There may be a minimum salary threshold that Franchises will have to stay above if the owners decide it is needed. A franchise that exceeds the Competitive Balance Tax threshold will be required to pay that season's entry fee. If a franchise exceeds the threshold for second consecutive season, it will be required to pay double that season's entry fee. If a franchise exceeds the threshold for a third straight season or more, it will be required to pay five (5) times that season's entry fee. Proceeds of the competitive balance tax will be spread out between all teams not exceeding the tax and league development. For the first UFLB season any penalties paid will be based on what the 2023 entry fee will be. These numbers can be increased by owners if voted on, but will not decrease. These are the minimum fine amounts.

SECTION 9.5 ROSTER DURING PLAYOFFS - SEE SECTION 10 - PLAYOFF STRUCTURE

SECTION 9.6 ROSTER DURING OFFSEASON

During the offseason, Franchises cannot exceed 40 players total. There are no waivers during the offseason. Players can be on the active roster or on the 40-man list during the offseason but must meet in-season roster requirements at the roster deadline. The UFLB roster deadline will mirror the MLB roster deadline for declaring a legal opening-day roster. Any players not on the opening-day roster that are out of options and require waivers in MLB will also require waivers (auction) in UFLB in order to start the season on a protected list.

SECTION 9.7 OPTIONS

A player has a limited number of option years where a Franchise can move him from the UFLB active roster to the franchise's 40-man list (soon to be minor league roster when minor league baseball starts on the platform). Here is how MLB defines the option system. https://www.mlb.com/glossary/transactions/minor-league-options

If a player has options in MLB, he will have the same options in UFLB. A player with options can be moved from the active roster to the 40-man list but must abide by the time spent rules before being called up. It is up to the franchise to know about a player's options. A player with options can be moved on and off the 26-man active roster without passing through waivers for the entire season. Once they are out of options (usually Year 4), they would need to pass through league waivers (auction) to be moved to a franchise's 40-man list. There is a limit of 3 roster moves per week - calling a player up and sending a player down at the same time counts as one move. Sending a player down or calling a player up on their own counts as one move.

SECTION 9.8 WAIVERS

A player under contract who is out of option years, can be placed on waivers and will be put up for auction. If the player is claimed off waivers by another franchise, the franchise who waived the player will get a percentage of the waiver sale price. (See Appendix A - Revenue Chart for breakdown). If the player is not claimed on waivers, the franchise can move that player to their protected list (soon to be minor league affiliate).



Waiver Process: To place a player on waivers, a franchise will need to email the Commissioner stating the player's name. The Commissioner will put the player up for auction and notify the owners and GMs of the auction start time. All players placed on waivers go into a 24-hour auction for any franchise to bid on, except the franchise who waived the player. When a player is claimed from waivers, they MUST go onto your active roster. **SECTION 9.9 FREE AGENTS** Scouts/Franchises can request any player that is considered a Free Agent at any time during the regular season. These are the ways that a player can become a Free Agent: 1. When they become a MLB free agents, the UFLB franchise releases them from their roster or within 24 hours of signing their new contract if they no longer want the player. 2. If a player has a team option (the MLB team decides to continue with the contract or end it) and the MLB team declines it, that player can be released by the UFLB franchise or can be kept until that player signs his next deal and the UFLB franchise will have 24 hours to decide on keeping or releasing him. If the MLB team continues with the contract, so will the UFLB team. If it is a player option (the MLB player decides to continue with the contract or end it) and the player opts out and signs a new deal the UFLB franchise will have 24 hours to decide if they still want to keep the player. If the player takes the option of remaining in his contract, he will remain on the UFLB roster until that contract is finished or he is traded. MLB Options must be exercised within 5 days of the World Series. 3. If a player is Non-Tendered by his MLB team, he becomes a free agent and the UFLB franchise can releases him immediately or chose to keep him until the player signs a new which gives the UFLB franchise 24 hours to release him or keep him. It is the duty of the franchise to notify the league about releasing a player. Franchises do not have to notify the league if they are keeping the player. Process of how to request a Free Agent: Scout/Franchise emails Commissioner to request the free agent A 24-hour auction will take place. The scout/franchise that requested the player will have the minimum bid of \$25 USD, the next bidder will have to bid \$30 USD or more See Appendix A - Revenue Chart for revenue breakdown of free agent sale If a franchise buys a Free Agent during the season, the player must go onto their active roster. **SECTION 9.10 - FREE AGENCY** MLB players become a free agent one day after the World Series but cannot sign with a franchise until 5 days after the World Series concludes. Franchises who have free agents (a MLB player with 6 years of service on a 40-man roster is classified as a free agent) need to decide if they



SECTION 9.12 RETIRED PLAYERS

• Retired players remain with the franchise and will go onto their Retired List. A franchise owns a player's fantasy rights forever. This retired player can be used in the future to generate revenue for the franchise by being sold/auctioned/leased to the Legends League (See Section 19 - Legends League)

SECTION 9.13 COMPETITION COMMITTEE

- The competition committee is put in place to assist the commissioner on approving trades when needed.
- The committee is put in place to ensure that no trades involve collusion, no trades are significantly lopsided, and to ensure that a franchise isn't selling off their assets and making their team non-competitive just to make a profit.
- The first competition committee will be determined later and may include people not affiliated with the league.

SECTION 9.14 PRIZE POOL

- The prize pool is progressive and will grow throughout each season.
- The prize pool accumulation runs from one Trade Deadline to the next, shifting to the next season immediately following that season's trade deadline.
- How the prize pool is distributed is TBD.
- Owners/GMs Meetings. (See Section 13 for Annual Owners/GMs Meeting).

SECTION 9.15 REGULAR SEASON CHAMPION

The Branch Rickey Award—The team with the most overall points will win the Branch Rickey Award for having the most points. The League will provide the banner and mail them to the franchise owners. The monetary payout is to be determined.

SECTION 9.16 POST SEASON CHAMPIONSHIP TROPHY

The Zilliqa Cup - Each year the champions of the Vin Scully and Haray Carry conferences will compete in the Championship Series for the right to win the Zilliqa Cup trophy. Scully and Carry Conference winners will receive a banner from the league, while the UFLB champion will receive the Zilliqa Cup trophy for a determined period during the off season. The monetary payout is to be determined.

SECTION 9.17 RULE CHANGES

Any rule changes must be proposed at the off-season meetings and voted on by owners needing at least 2/3 of expected majority votes (at least 20 of 30 expected votes) to change a rule. Any scoring category changes will take place gradually over a 3-year period to ensure franchises who have built their roster according to the scoring system will have time to adjust to the changes. Example, reducing a point total from .25 to .20 could look like this:

Year 1 - .24

Year 2 - .22

Year 3 - .20

There will be a fine system in place for franchises who do not cast a vote. This is professional fantasy baseball, and you would not see a MLB team skip a vote.



League MVP – Barry Bonds Award Top Pitcher – Nolan Ryan Award Rookie of the Year – Jackie Robinson Award Manager of the Year – Connie Mack Award Top Hitter - Josh Gibson Award Championship MVP - Reggie Jackson Award Conference Championship Series MVP - David Ortiz/Johnny Bench Reliever of the Year - Mariano Rivera Award Silver Slugger – One for each of the 9 hitting positions – as chosen by Dean Millard, Bryan Hernandez, Matt Soren, Gerald Smiley

SECTION 10 PLAYOFF STRUCTURE

- The playoff format will always follow the MLB playoff format.
- There will be a playoff draft held one (1) day before the MLB playoffs begin with the Wild Card games.
- Playoff franchises will draft MLB playoff players from the non-playoff UFLB franchises to fill out their roster, replacing their non-playoff MLB players.
- Franchises whose players get drafted will earn a percentage of the winnings if their player is on a franchise that earns playoff payouts.
- Franchise Owner/GM gets a percentage of winnings, the leasing payments are evenly distributed to the players on their playoff roster leased through the playoff draft.
- · The UFLB Playoff Draft is a non-snaking, standard draft.
- Draft order is determined by regular season standings, first place will get first pick in every round of the draft.
- Playoffs are a head-to-head format, but the point system is the same for the playoffs as it is for the regular season. In case of a situation where both teams in a playoff series have zero (0) players left, the team with the higher overall point total in the playoffs will move on.
 - After each round the winning team can select as many players as possible from the roster they just beat to replace any players they

- may have lost.
- Picks must be into the league within 12 hours of the completion of a series as the turnaround is fast from one round to the next.
- Playoff Champion Trophy the Zilliqa Cup trophy The playoff champion will be crowned the soon to be named trophy winner. There are plans to have a physical trophy that will be awarded to the champion, they will get their name engraved on the trophy along with all the players on their playoff roster. The franchise will get to keep the trophy until the start of the next season when it must be returned to the league.
- If the trophy does not get returned or is damaged, the franchise owner will be responsible for paying for repairs or for a replacement of the trophy. The cup is valued at \$TBD USD.

SECTION 11

FINES

- Franchises will be fined if they do not follow the rules and regulations.
- 100% of the revenue from fines will go directly to a "Fines Prize Pool". This is a pool that can only be won by franchises that have not received fines throughout the season.
- This is a pool that will be shared by franchises that have not received fines throughout the season.



SECTION 12 AUCTIONS

All auctions for the UFLB will be done on UFFSports.com.

- Franchises must use their franchise name or real name when bidding, no aliases allowed.
- Only ONE representative from each franchise can participate in the bidding.
- All winning bids will be paid in SCO on the UFFS platform.
- See Appendix A Revenue Chart for distribution of revenues from all auctions.



SECTION 12.1 TOP PROSPECTS AUCTION

This will take place at a TBD date after the initial player draft. Franchises and scouts will have a chance to bid on the top prospects who have already been drafted/signed by MLB teams. This is a chance for franchises to get their protected lists started and to get these top prospects registered on the blockchain prior to scouts accessing the Open Market and a chance for some scouts to start building their stable of prospects. This is a one-time event and will not happen again.

SECTION 12.2 WAIVERS AUCTION

Any player that is out of options that a franchise wants to move from their 26-player active roster to their protected list (eventually their AAA affiliate) must pass through waivers. A 24-hour auction is triggered, bidding starts at \$25 USD.

SECTION 12.3 OPEN MARKET/SCOUT AUCTION

If a scout registers a Pro status player, that pro player needs to be sold to a franchise or auctioned to the UFLB within 24 hours. If not, a forced auction will take place with a minimum bid of \$25 USD. If the scout triggers the auction within 24 hours, the scout can set their minimum bid/starting price. Also, a scout can trigger an auction for prospect status players that are MLB property (drafted or signed) at any time and can set the minimum bid/starting price. All these auctions are 24 hours. If a scout sets the minimum bid for a Pro status player, that becomes the minimum sale price for that player, including to their affiliated franchise as a direct sale if there are no bids in that auction. This forces scouts to set realistic starting prices and prevents scouts from hoarding MLB players. That rule only applies to Pro status players, not to Prospects.

SECTION 12.4 FREE AGENT AUCTION

This auction will take place on an agreed upon date by franchise owners after MLB free agency starts (five days after the World Series). Free agent players who franchises have walked away from will be auctioned for a minimum bid of \$25 USD upon signing their new MLB contract.

SECTION 12.5 EXPANSION FRANCHISE AUCTION

This is an auction that will take place if MLB/UFLB adds a franchise to the league. The minimum bid will be the average value from the previous 10 franchise sales within that league. UFLB will not expand unless MLB does, always mirroring the same number of franchises.

SECTION 12.6 FUTURES AUCTION

This annual auction is for scouts only and will take place every offseason featuring a 60-selection draft where scouts bid on a draft slot, with the





winning bidder selecting his player. The players selected will always be eligible for the MLB draft three (3) years from when scouts are selecting players. Example, in 2022 scouts will be bidding on 2025 draft eligible players. The exception to this is the first year where players who are draft eligible in 2022, 2023 and 2024 will be selected by Director of Scouting Bryan Hernandez and auctioned off to scouts. There is no minimum or maximum number of prospects that a scout can purchase. Scouts working for the same agency can pool their resources for the Futures Auction. Starting price for the players will be \$20 USD with minimum increments of \$5 USD (no maximum increment).

SECTION 12.7 ENTRY DRAFT AUCTION

This auction will take place following the conclusion of the MLB Entry Draft — typically on a Saturday afternoon/evening as a live event. For the first event in 2022, the draft order will be determined by the overall standings at a particular date before the draft. All other years, the order will be determined by the previous season standings.

- Groupings of five Franchises will be bidding on each draft spot. If a franchise wins a bid on the first overall pick, they will immediately have to announce their player selection, then leave the bubble before the next grouping of five bids on the second overall pick. That process continues for the top 60 draft spots (first- and second-round picks). Once a franchise wins a bid on a pick and announces their selection, they leave the bubble, and the franchise owning the next pick joins the remaining four.
- The minimum bids are set by an algorithm, factoring in MLB draft position for the top 60 prospects and scout spending from the Futures Auction for that draft class.
- Each draft spot will be up for auction for 1 minute, extended by 30 seconds every time a franchise makes a bid. There are no limits on the number of extensions.
- Revenue Breakdown: See Appendix A Revenue Chart

Process: Franchises are grouped in 5s, the 5 franchises that have picks 1-5 will be in the draft room for the 1st overall pick. The 1st pick will go up for bidding, only the franchises holding the 1-5 draft positions can bid on this pick. After the 1st pick is gone, the 2nd pick goes up for auction and the franchise that purchased the 1st pick is removed from the draft room, while the remaining four are joined by the franchise with draft position 6 to bid on the 2nd overall pick. This process will repeat right through to the 60th draft spot. A franchise does not have to bid on any picks if they do not want to and they can trade their draft picks at any time, including during this auction. (See if a pick is passed below)

Breakdown:

Picks 1-56 will be groups of 5
Pick 57 will have 4 franchises bidding
Pick 58 will have 3 franchises bidding
Pick 59 will have 2 franchises bidding
Pick 60 will start at a minimum of \$40

If a pick is passed on: If there are no bids on a draft spot, the franchise with the highest (best) draft position among that grouping will be removed from the draft room. That franchise will have 1 hour following the completion of this auction to select a player for



the minimum bid at that draft spot. If the franchise passes on that draft spot or the 1-hour time period expires, the pick will be forfeited.

• If the 10th pick is up for auction, and teams 2, 7, 10, 11, 14 are in the draft room, the franchise with the number 2 draft position will be removed from the draft room with the option to select a prospect for the minimum bid at that draft spot according to the algorithm. If they pass on selecting a prospect at that minimum bid, they will forfeit their draft pick.

Trades: Trades WILL be allowed during the Entry Draft Auction. All trades must be submitted in a timely manner before the draft picks being traded are up for auction. Trades must be agreed upon by both parties and then announced in the Trade Talk chat on Telegram to be approved and processed. Trade fees do not have to be paid until after the auction. Your trade fees will be added to the price of the players you purchased in the auction. Payment: Done on platform in SCO.

SECTION 12.8 INTERNATIONAL PLAYER AUCTION

Each year international players sign with MLB organizations. These players will be auctioned off to scouts only. An international player is defined as player resides outside of the United States, Canada or Puerto Rico and has not been enrolled in high school in any of those locations within the past calendar year. The player is at least 16 years of age or will turn 16 years of age prior to Sept. 1 of the current signing period. A TBD number of spots will be available to the highest bidding scouts who will then pick the player they want from that year's International Free Agent list. Posted players will be auctioned off to UFLB franchises on a player by player basis.

SECTION 13CHANGES TO RULES/OWNERS' MEETINGS

- There can be no rule changes or new rules added during the season, unless MLB makes a midseason rule change.
- Any rule changes or additions need to be tabled at the annual Owners/GMs Meetings in the offseason.
- Rule changes or additions will be voted on and require 2/3 (20 of 30) of the Franchises to vote in favour of the change/addition for it to be implemented by UFLB.
- Each franchise only gets one vote. If a franchise has an owner and a GM, they can only vote once.
- There may be some rules or regulations that the league will decide on and will not be put to a vote. This is to prevent proposed changes that may inhibit the growth of the league and platform the league will always maintain and uphold the best interests of the league and platform when rule changes or additions are presented.
- There will be annual Owners/GMs Meetings held over multiple weeks in the offseason, depending on the number of agenda items to be discussed.
- There will also be a midseason Owners/GMs Meeting following the trade deadline. That meeting will discuss the current season and lay the



groundwork for potential topics at the offseason meetings. No changes will occur at the midseason meeting.

The midseason meeting will discuss the annual entry fee for the next season, which will be voted
on following that midseason meeting. The result of that vote will provide franchises with months
to prepare for their next entry fee.

- All franchises are expected to be in attendance for these meetings.
- Meetings will be conducted online through video conferences but hope to be in-person events in the future.
- League executives will take meeting notes for franchises that are unable to attend and if possible, a recording of the meetings will be made available.
- All voting is done after meetings through email. Fines will be issued to franchises who fail to vote.

SECTION 14 MERCHANDISE

UFF Sports has an online store where you will be able to purchase merchandise for all 30 UFLB franchises and all scouting agencies, plus UFF Sports branded merchandise.

- You can pay by credit card or ZIL on the store website (eventually SCO).
- Each franchise is responsible for advertising their apparel and merchandise — franchises get a percentage of merchandise sales with their franchise logo on it.
- See Appendix A Revenue Chart for the revenue breakdown for merchandise sales.
- This is the link to the online store: https://ufhl-shop.myshopify.com.

SECTION 15 SOCIAL MEDIA

SECTION 15.1 UFF SPORTS SOCIAL MEDIA

UFF Sports has official accounts on Twitter, Facebook, Instagram, LinkedIn and Parler. There will be a Twitter account for each league, the UFLB has a Twitter account (@TheUFLB), Instagram account (@UFLBOfficial) and the scouting department account is @UFLB_Scouting.

SECTION 15.2 UFLB FRANCHISE SOCIAL MEDIA

All franchises in the UFLB are encouraged to have an active Twitter account. It is not mandatory but highly recommended for increasing the value of each franchise by growing their following. Franchises will receive rewards (sport tokens) for having an active social media presence, specifically Twitter, and for promoting their franchise and the league. Websites with team information are also encouraged.







SECTION 16 EXPANSION OF UFLB

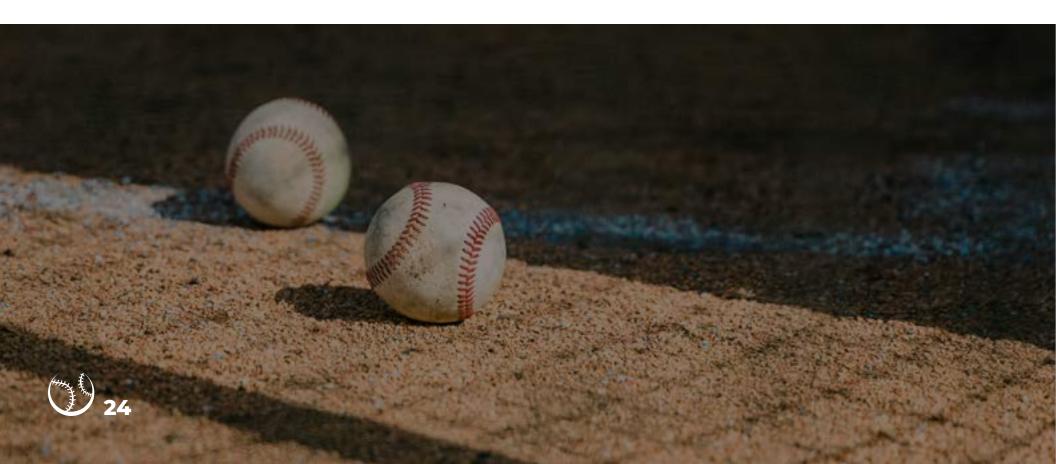
UFLB will only expand the number of franchises in the league if MLB further expands their league. UFLB expansion will always mirror the MLB expansion process.

SECTION 17 - Staking/Betting - Coming Soon

SECTION 18 - Zilliqa, SCO - Coming Soon

SECTION 19 - In-game Sport Token - Coming Soon

SECTION 20 - Legends League - Coming in the Future



APPENDIX A

REVENUE CHART

Transaction Type				REVENU	E SPLITTING	PERCEN	TAGES	REVENUE EXAMPLE				
	Transaction Description	Minimum	Example \$	UFLB	Prize Pool	Scout	Franchise	UFLB	Prize Pool	Scout	Franchise	Notes
Player to Scout	Player Registration	\$20.00	\$20.00	90%	10%			\$18.00	\$2.00	\$ -	\$ -	
Player to Scout	Annual Futures Auction	\$20.00	\$300.00	100%				\$300.00	\$ -	\$ -	\$ -	
Player to Scout	Scout to Scout Sale of Prospect	\$20.00	\$20.00	10%		90%		\$2.00	\$ -	\$18.00	\$ -	
Player to Scout	Scout Trade of Prospect (each Scout)	\$5.00	\$10.00	100%				\$10.00	\$ -	\$ -	\$ -	
Player to Scout	Scout Trade - SCO Involved	No Minimum	5,000	10%		90%		500	0	4,500	0	
Player to Franchise	Annual Entry Auction	Algoritum	\$300.00	5%	5%	90%		\$15.00	\$15.00	\$270.00		
Player to Franchise	Scout Triggered Auction of Prospect	\$25.00	\$300.00	5%	5%	90%		\$15.00	\$15.00	\$270.00		Scout can set to any value above minimum
Player to Franchise	Scout Direct Sale to Franchise	\$25.00	\$25.00	10%	10%	80%		\$2.50	\$2.50	\$20.00	\$ -	
Franchise Transaction	Trade Fee (each Franchise)	\$5.00	\$10.00		100%			\$ -	\$10.00	\$ -	\$ -	
Franchise Transaction	Trade - SCO Involved	No Minimum	5,000	5%	15%		80%	250	750	0	4,000	

Transaction Type				REVENU	JE SPLITTING	PERCEN	TAGES	REVENUE EXAMPLE	AMOUNTS	BASED C		
	Transaction Description	Minimum	Example \$	UFLB	Prize Pool	Scout	Franchise	UFLB	Prize Pool	Scout	Franchise	Notes
Franchise Transaction	Free Agent Signing	\$25.00	\$25.00	10%	90%			\$2.50	\$22.50	\$ -	\$ -	Players from Buyout etc.
Franchise Transaction	Waiver Claim	\$25.00	\$25.00	10%	30%		60%	\$2.50	\$7.50	\$ -	\$15.00	
Franchise Transaction	Player Buyout	\$10.00	\$10.00	10%	90%			\$1.00	\$9.00	\$ -	\$ -	Salary Cap Implications Apply
Franchise Transaction	Retire Player - return to Active Roster	\$10.00	\$10.00	10%	90%			\$1.00	\$9.00	\$ -	\$ -	No fee to retire player
Retire Player	Auction of Retired Player	No Minimum	\$100.00	5%	5%		90%	\$5.00	\$5.00	\$ -	\$90.00	
Retire Player	Direct Sale of Retired Player	No Minimum	\$100.00	10%	10%		80%	\$10.00	\$10.00	\$ -	\$80.00	
Franchise Sale	Franchise Sale to new Owner	TBD	\$200.00	10%			90%	\$20.00	\$ -	\$ -	\$180.00	
Franchise Sale	Franchise Sale (Expansion)	TBD	\$2,000.00	Entry Fee			Remainder	\$200.00	\$ -	\$ -	\$1,800.00	SPLIT to Pre-Expansion Franchise
Franchise Sale	Franchise Auction - defunct Ownership	TBD	\$1,000.00	Entry Fee	Remainder			\$200.00	\$800.00			
Merchan- dise Sales	Franchise Merch - Profit	TBD	\$4.00	10%			90%	\$8.00	\$ -	\$ -	\$36.00	
Merchan- dise Sales	UFFS/UFLB Merch - Profit	TBD	\$40.00	100%				\$40.00	\$ -	\$ -	\$ -	
FUTURE - Staking	FUTURE - Staking Total Return (SCO)	TBD	20,000	10%			10%	2,000	0	0	2,000	Remaining 80% back to staker on a win

			REVENUE SPLITTING PERCENTAGES REVENUE AMOUNTS BASED ON EXAMPLE \$									
Transaction Type	Transaction Description	Minimum	Example \$	UFLB	Prize Pool	Scout	Franchise	UFLB	Prize Pool	Scout	Franchise	Notes
Fees	Scout Registration Fee		\$20.00	\$20.00	100%				\$20.00	\$ -	\$ -	One Time Fee
Fees	Annual League Fee		\$200.00	\$200.00	10%	90%			\$20.00	\$180.00	\$ -	Annual Fee
One-Time Event												
Player to Scout/ Franchise	Top Prospects Auction	\$25.00	\$500.00	\$25	Remainder			\$25.00	\$275.00	\$ -	\$ -	

APPENDIX B FANTASY POINTS STRUCTURE/SCORING SYSTEM FOR THE UFLB

HITTERS

OPS = .825-.900 = .25 point .901-.999 = .5 point 1.000-2.500 = 1 point

2.500 & up = 2 points

Below .550 = minus .5 point

Hits = 1 point

Home Runs = 4 points

Walks = 1 point

Runs Scored = 1 point

RBI = 1 point

Stolen Base = 2 points

Caught Stealing = minus 1 point

Errors = minus 2 points

Strikeouts = minus 2 points

PITCHERS

WHIP = 0-.50 = 2 point

.51-.75 = 1 point

.76-1.25 = .5 point

1.26-1.50 = .25 point

Over 2.00 = minus .5 point

Wins = 2 points

Losses = minus 1.5 points

Quality Starts = 7 points

Saves = 1.5 points

Blown Save = minus 1.5 points

Holds = 1 point

ER allowed = minus 1 point

Home Runs allowed = minus 4 points

Strikeouts = 1 point



APPENDIX C

PRIZE POOL DISTRIBUTION -

TO BE UPDATED AND

DECIDED BY THE OWNERS

DURING OFF SEASON

MEETINGS.



OUR TEAM WE ARE HERE TO HELP! ""

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