



June 1, 2018

Dear U.S. Soccer Stakeholders:

On April 13, 2018, I wrote to U.S. Soccer Federation President Carlos Cordeiro offering to become the lead investor in a \$500 million capital campaign to re-launch the NASL in time for the 2019 season. In exchange for this substantial cash infusion, which included my personal commitment of \$250 million representing one of the single largest investments by an individual in the history of the sport in this country, I sought safeguards including a 10-year runway to come into compliance with the ownership and other challenging requirements of the USSF's Professional League Standards (PLS), to the extent those standards are legally in effect.

Given that USSF stripped NASL of its second division status for the 2018 season less than eight months after I acquired the New York Cosmos, I know firsthand the incredible uncertainty the current annual sanctioning process presents our league. Without being able to offer a defined window of opportunity to build sustainable clubs, it would be extremely difficult for NASL to attract new investors moving forward. Plus, the limited protections I requested seemed more than reasonable in light of the fact that MLS could not have met the stringent requirements of the PLS as they exist today during its first 15 years of operations and given the multi-year pathways to PLS compliance USSF granted USL and NWSL earlier this year.

As is well documented in the multiple legal proceedings pending against USSF, the governance of amateur and professional soccer by our Federation over the past two decades has fallen prey to a group of related parties fixated on protecting the financial interests of MLS and its business partners SUM and USL. However, there was some hope that the February 2018 election of Mr. Cordeiro, who ran on a platform of "open, inclusive and transparent leadership," would usher in a new age of accountability within our Federation. As it has turned out, Mr. Cordeiro is devoting himself "virtually full-time to World Cup matters" and could never find the time to meet with me, in person or by phone, to discuss this historic proposal for independent soccer in the United States.

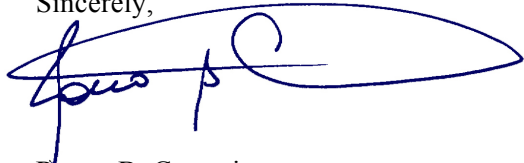
In Mr. Cordeiro's absence, I was informed the matter was turned over to USSF CEO Dan Flynn and other "board representative(s)." As New York Not-For-Profit Corporation Law requires board members with a financial interest in a matter to be excluded from deliberations, I assumed the other "board representatives" would consist of non-conflicted board members unaffiliated with NASL's competitors, MLS, SUM and USL. Once I began corresponding back and forth with Mr. Flynn, it became apparent that he had no intention of involving only non-conflicted board members in our discussions. He was simply going through the motions in an effort to delay formal USSF action on my proposal for as long as possible.

In an effort to cut through Mr. Flynn's delay tactics and keep alive the prospect of NASL returning to play in 2019, I have done everything possible to directly engage USSF's non-conflicted board members in the process. These efforts appear to have forced the Federation's hand as USSF, over six weeks after I sent my original April 13th offer letter and just four days before my \$500 million offer was set to expire on May 31st, finally held a telephonic Board meeting on May 27, 2018 to consider my proposal.

Contrary to New York Not-For-Profit Law, it appears that USSF permitted conflicted board members with current or past ties to MLS, SUM and USL including Carlos Bocanegra, John Collins, Don Garber, Sunil Gulati, and Steve Malik to participate in the May 27th deliberations. In the end, not even a \$500 million offer squarely in line with USSF's stated mission of promoting "the growth and development of soccer in all its recognized forms in the United States" could break MLS's stranglehold over our Federation. By letter dated May 30, 2018, Mr. Flynn informed me that "the Board does not see a compelling reason to deviate from the annual sanctioning process," extinguishing any hopes USSF would voluntarily grant NASL a 10-year runway to develop a sustainable independent professional soccer league in the United States and effectively terminating my proposal.

While it is unfortunate that USSF has rejected this historic \$500 million proposal that would have created thousands of soccer opportunities for youth, amateur and professional players and staff while building out critical infrastructure for fans and communities, our fight to grow the game of soccer in America does not end today. NASL will continue to pursue its breach of fiduciary duty claims against certain USSF board members, and it is about to begin the discovery phase in our antitrust litigation against USSF and MLS. Even though USSF and MLS are attempting to push off the trial date of the latter proceeding to October 2019 to keep NASL from playing earlier than the 2020 season even under a favorable court ruling to NASL, I will do everything in my power to seek a timely and positive ruling to help our clubs return to the field in 2019.

Sincerely,



Rocco B. Commisso
Chairman, New York Cosmos