

Major League Baseball College Scholarship Plan:
A Guide for Players
(for contracts awarded on or before October 2, 2004)

Introduction

In the early 1960s, the Major League Baseball Clubs established the Professional Baseball Scholarship Plan (the “Plan”) to help baseball players further their college educations. Many players enter the Major or Minor Leagues before starting or completing their college educations. The Plan has been successful in assisting and motivating players to further their scholastic careers. To ensure the Plan’s continued success, Baseball needs the cooperation of the participating players. This guide is designed to give those players who are Plan participants detailed information on how the program works.

How does a Plan participant qualify for benefits?

The Plan provides benefits to those players who had negotiated for participation in the Plan as part of their first professional Minor League Uniform Player Contracts.

To be eligible for benefits, a participant must be enrolled and attend classes at an accredited college/university or junior college in pursuit of an undergraduate degree. The maximum number of semesters allowed is eight; the maximum number of quarters/trimesters is twelve.

The Plan does not cover trade, vocational or graduate schools. A participant pursuing any of these courses of study will not qualify for benefits under the terms of the Plan.

What is the maximum amount that will be reimbursed per semester or quarter?

The maximum reimbursable amount is determined by the amount specified in the participant’s first Minor League Uniform Player Contract.

EXAMPLE: If the participant’s contract provides that the participant is allowed a maximum of \$3,000.00 per semester, and the participant attends a school on a semester system, the maximum amount of actual expenses that will be covered for that semester is \$3,000.00. If the participant attends a school on a quarter/trimester system, the maximum amount of actual expenses that will be covered is 2/3 of \$3,000.00 per quarter/trimester. Two semesters at \$3,000.00 per semester is equivalent to three quarters or trimesters at \$2,000.00 per quarter or trimester.

If the participant’s actual expenses are less than what the participant is allowed per semester, the participant will only be reimbursed up to the total of the participant’s actual expenses. Any difference between what is paid for actual expenses and what is allowed under the participant’s contract will not be carried over to future school terms.

What expenses are covered under the Plan?

The Club is liable up to the maximum semester allowance for the participant's cost of tuition, fees, room and board (both housing and meals) and textbooks (not included are computers, calculators or materials other than textbooks) required for the course of study.

Who is responsible for payment of a participant's Plan expenses?

Generally, the original Club that signed the player will be responsible for the payments under the Plan, even if the player plays for different organizations throughout his career.

How are participants reimbursed under the Plan?

We would prefer to be billed by the college directly. All bills and statements covering reimbursable expenses for a semester should be submitted at one time, if possible.

If the participant is required to make payment, the participant must submit the receipts verifying that the bills have been paid. Reimbursement checks will be made out to the participant, not to parents or other third parties.

To facilitate payment upon enrolling in school, participants should submit a statement stating the name of the school, the number of credit hours being taken and whether the school operates on a semester or quarter/trimester basis. The statement should include a listing of all actual allowable expenses and an indication as to whether or not such actual expenses have been paid. The statements should be sent to the Club's College Scholarship Plan administrator.

Additional information regarding the plan and its reimbursement procedures, along with the contact information for the Club Scholarship Plan administrator, can be found on the web at www.mlb.com/scholarship.

What is a full-time student?

A full-time student is defined as one who is enrolled and attending a college/university or junior college, taking a minimum of 12 credit hours for a semester term or 10 credit hours for a quarter or trimester term, while in pursuit of an undergraduate degree.

What is a part-time student?

A part-time student is defined as one who is not taking the required minimum number of credit hours for full-time status. To be eligible to receive benefit from the Plan, a participant enrolled part-time must take a minimum of six credit hours for a semester term or five credit hours for a quarter/trimester term, while in pursuit of an undergraduate degree.

What effect does part-time status have on a participant's Plan benefit?

Any part-time student shall receive a pro-rata reimbursement of allowable expenses based on the following example:

EXAMPLE: A participant who enrolls for seven credit hours for a particular term will only be allowed a maximum of 7/12 of his semester allowance that term or 7/10 of his quarter/trimester allowance. If 7 credits are taken, only 7/12 of a semester or 7/10 of a quarter/trimester will be deducted from the number of semesters/quarters specified in the participant's contract.

How is a participant residing off-campus reimbursed for living expenses?

If a participant resides off-campus, the participant shall be reimbursed through the college, if possible, limited to the extent the participant would have been charged for on-campus residence. If the school does not have room and board facilities, the participant will be reimbursed at the rate of \$15 per day for semesters/quarters through and including the summer of 2011. For expenses related to semesters/quarters beginning with the fall of 2011, the participant will be reimbursed at the rate of \$35 per day.

To qualify for reimbursement of room and board expenses, the charges must be verified in a statement by the college/university. The meal charges will be based on a semester/quarter meal plan.

A participant who lives off-campus may qualify for the applicable per day allowance by presenting the following documents to the Club (1) a copy of the participant's signed lease or a letter from the landlord verifying that the participant is a tenant, (2) a receipt from the landlord showing that the participant has paid the first month's rent and (3) written verification by the college/university of the first day of class and the last day of class. The participant's allowance will then be based on the number of days the participant is in attendance at school for the term. Total room and board allowance, however, when added to the other covered expenses, may not exceed the designated amount per semester or quarter stated in the participant's contract.

There is no reimbursement for room and board if the participant lives at home while attending school.

When does a participant's eligibility for the Plan expire?

There are four reasons a participant's college scholarship plan may expire:

1. If a participant fails to commence studies within two years of the participant's last day of active playing service (independent leagues that are not affiliated with Major League Clubs do not count as active service);
2. If a participant commences studies under the Plan after the participant's last day of playing service and then fails to attend college within two consecutive years of the last college attendance;
3. If a participant is placed on the Ineligible List; or
4. If a participant completes study for a bachelor's degree prior to using all of the benefits available under the Plan.

If a participant is released or retires, is the participant still eligible to participate in the Plan?

Yes. A participant's unconditional release, retirement or placement on the Military List shall not relieve the Club of its obligations to pay for the scholarship under the terms of the Plan.

How does the coordination between the Incentive Bonus Plan and the College Scholarship Plan work?

If a participant earns benefits under the Incentive Bonus Plan, and has previously been paid benefits under the College Scholarship Plan, such benefits shall be deducted from the amount due under the Incentive Bonus Plan. Any remaining Incentive Bonus Plan balance will be paid directly to the participant.

If a participant becomes eligible to receive benefits under the College Scholarship Plan and has previously been paid benefits under the Incentive Bonus Plan, such Incentive Bonus Plan payments shall be deducted from any amounts due under the College Scholarship Plan. Any remaining balance, up to the cost of the player's actual expenses for that term, will be paid directly to the player or university.

Does Major League Baseball have a preferred education provider?

Yes. The preferred education provider of MLB is Northeastern University. Northeastern University offers a full suite of academic programs, including bachelor's completion. Most degree programs are offered 100% online, and they have campuses in Boston, MA; Charlotte, NC; Seattle WA; Silicon Valley, CA and Toronto. You can learn more by visiting their web site at www.northeastern.edu/mlb.