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PROCEEDINGS

UNITED STATES SOCCER FEDERATION
100th NATIONAL COUNCIL MEETING

San Antonio Marriott Rivercenter
San Antonio, Texas

February 27, 2016
8:00 a.m. - 10:04 a.m.

Reported by Debra K. Resling, RMR, CRR

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1 (Commencing at 8:00 a.m.)

2 PRESIDENT GULATI: Could you find
3 your seats, please. Grab your seats and we'll
4 get started.

5 Welcome to San Antonio. My guess is
6 most of you were here before I was -- you should
7 be -- the three of us that flew in, the four of
8 us, five of us that flew in -- but welcome to San
9 Antonio.

10 They've asked me to wear this
11 throughout the meeting, but I'm going to decline,
12 although I guess a number of you were wearing
13 that even before you had a beverage yesterday.
14 So it sounds like yesterday was a good time. I'm
15 glad that worked out, and there's pictures of
16 lots of you that we've all been looking at this
17 morning.

18 So welcome to the Annual General
19 Meeting. We've got, not a long list of items to
20 cover, so it will give you plenty of time to see
21 the rest of San Antonio and obviously a lot of
22 activity tonight. But we do have a number of
23 important business points to go through,
24 including an election day.

25 Before we get started with any of

1 that, if we could take a moment of silence, stand
2 and join me in a moment of silence for those
3 members of our community, soccer community, that
4 have been lost over the last year.

5 (Moment of silence.)

6 PRESIDENT GULATI: Thank you. You
7 may be seated.

8 We'll next conduct the Pledge of
9 Allegiance. Mr. Mike Edwards. The up and down
10 is part of the calisthenics...

11 (Pledge of Allegiance recited.)

12 PRESIDENT GULATI: We then go to
13 Mr. Kepner for a roll call explanation, and then
14 the roll call will be done digitally, and then
15 followed by the Credentials Committee Report, all
16 of which will be handled by Mr. Kepner.

17 MR. KEPNER: Good morning.

18 I'm absolutely confident that the
19 vast majority of you in the room are familiar
20 with the procedure that we follow in developing
21 the voting framework. We have four councils and
22 there needs to be an apportionment of votes among
23 them.

24 Three of the councils have equal
25 weight with the largest of those three, the Youth

1 Council, being the governing number, and that was
2 displayed shortly up above with 291 votes. It's
3 not necessarily individuals, but votes.

4 Then the next is the Adult Council,
5 which had 191 votes, but that has to
6 mathematically be equivalent to the 291. So
7 there's a multiplying factor, and we will see
8 that displayed on the last slide.

9 Next is the Professional Council.
10 There were 14 votes. And then that, using the
11 multiplier, has to be made equivalent to the 291.
12 We'll see the multiplier again.

13 The next is the Athletes Council,
14 four votes. Now, with the athletes council, by
15 our bylaws and standards, the athletes must
16 represent no less than 20 percent of the total
17 vote capable in the entire voting process, so
18 there is another multiplier that brings that
19 about.

20 And then in the last slide, we have
21 other members -- this is the next-to-the-last
22 slide -- we have other members. We can see those
23 identified. We will go on. We have Life
24 Members, and the next one, Board of Directors.

25 All of those, those last three, have

1 one vote each. We go on.

2 And then now we have a total number
3 of votes, 291, 534, but then when they're
4 weighted, you can see the 291, 291, 291, the
5 athletes, which is 20 percent of the entire
6 voting strength, minimum of 20 percent, and we
7 hit very close, and the other members, total
8 voting strength of 1135. You can see the very
9 small multipliers on the right-hand side with the
10 simple majority being one more than half of 1135
11 is 568. Two-thirds majority, if it were needed,
12 would be 757. I will ask for a motion to accept
13 the Credentials Report.

14 MR. EDWARDS: So move.

15 MR. KEPNER: I hear a motion over
16 here to my left.

17 MR. SCHERER: Second.

18 UNIDENTIFIED SPEAKER: Second.

19 MR. KEPNER: And I hear a second here
20 and a second in the back. All those in favor,
21 please say aye? Opposed, please say no? Motion
22 carries.

23 (Motion passed.)

24 MR. KEPNER: Now, you know that we
25 also historically have a little bit of a test

1 question. We happen to be in San Antonio.
2 Historically, most of you think that soccer got
3 started in terms of World Cup in a different part
4 of the world than this, but the fact of the
5 matter is that the first World Cup was played in
6 1836. This was the goal that was used.

7 Now in order to be able to score --
8 you see that little window up there on the top?
9 That's where you had to kick the ball.

10 Now, there were three players, there
11 were three players on the original team, and they
12 are going to compete today with you doing the
13 voting, to see whether or not one of those is
14 still able to function well as a penalty kick
15 shooter. Those three are Davey Crockett, King of
16 the Wild Frontier; Juergen Klinsmann, and Jill
17 Ellis.

18 So, you know how to use our little
19 keypads there. Those are 1, 2, and 3. Most of
20 the keypads should have been turned on already,
21 but if yours doesn't have a display in front,
22 just push the lower right-hand button. Just hold
23 it for a moment, lower right-hand button, and the
24 display will come on.

25 Okay. We'll go ahead and start

1 voting now, 1, 2, or 3.

2 (Votes being cast.)

3 MR. KEPNER: He still has it, Mr.
4 Crockett. Of course, you know probably he had a
5 little bit of an advantage. He was the only one
6 with a rifle; therefore, who is going to win the
7 shoot-out? The man with the rifle.

8 One thing that I'm going to ask is
9 that if you are aware that somebody is not
10 present and there's a keypad in front, a member
11 of the Nominations Committee, not the Nominations
12 Committee, the Credentials Committee, will stop
13 by and pick up those keypads and take them over
14 to that side of the room. When they show up,
15 they may pick them up there.

16 Thank you very much.

17 PRESIDENT GULATI: Thanks, Bob.

18 At yesterday's FIFA Congress, they do
19 the same thing. They have a test question, and
20 they thought the obvious test question they
21 should use was Will the next World Cup be played
22 in Russia? It was a little bit dangerous,
23 because of the serious chance that the majority
24 might not vote that way, but in any case, Davey
25 Crockett is a safer bet for sure.

1 Next -- we've done the roll call,
2 we've done the Credentials Committee, and we've
3 done the test question. It's been my great
4 pleasure to acknowledge a couple of special
5 groups that are here. If the life members could
6 stand. The life members, where are you? Where
7 is that group? Just stand for a second. Remain
8 standing.

9 (Applause.)

10 PRESIDENT GULATI: Those of you that
11 are at the first Annual General Meeting of U.S.
12 Soccer, Soccer, the first AGM, please stand.

13 (Applause.)

14 PRESIDENT GULATI: Anyone in the over
15 40 -- not you are 40 -- but 40 AGMs or more. 40
16 AGMs or more.

17 (Applause.)

18 PRESIDENT GULATI: Mr. Rapaglia from
19 Eastern New York is missing, unfortunately, with
20 an injury.

21 Those of you who have represented the
22 U.S. National Team Program at any level, stand,
23 please. U.S. National Team Program.

24 (Applause.)

25 PRESIDENT GULATI: Those of you that

1 dreamt of representing the U.S. National Team?
2 Well, you guys would still be in that group; the
3 rest of us would too, John.

4 Okay. Thank you.

5 Next on the item is Approval of the
6 Minutes. You have the minutes from the 2015,
7 sorry, 2015 AGM. Do we have any comments from
8 those, or someone that moves that we adopt them
9 or approve them, I should say.

10 MR. BORRONI: Move to approve.

11 PRESIDENT GULATI: Mr. Borroni, thank
12 you. There's a second.

13 UNIDENTIFIED SPEAKER: Second.

14 PRESIDENT GULATI: Any comments?
15 Edits? Hearing none, we'll approve those
16 unanimously. Thank you. The minutes from the
17 last year's AGM are approved.

18 (Motion approved.)

19 PRESIDENT GULATI: We will then move
20 on to a quick video, highlight video from
21 twenty-five -- 2015 -- did I say twenty-five? If
22 we could run that video, please.

23 (Video shown.)

24 (Applause.)

25 PRESIDENT GULATI: My guess is that

1 all of you in this room, at various times in your
2 soccer activities, there are days or weeks,
3 hopefully, not months, but there are certainly
4 days when you wake up, and you ask, Why am I
5 doing this? Almost everyone in the room is a
6 volunteer in the sport, not everyone, but almost
7 everyone, and there's been a bad experience, or
8 there's been a loss, or there's been a kid who
9 didn't appreciate it, or there's just a spouse or
10 a child that you are not spending time with, and
11 you say, Why am I doing this? I don't need to do
12 this.

13 Over the last ten months, I have had
14 more of those days than I can care to remember.
15 It's been a long year. And not just because of
16 some of the legal issues around the world, but a
17 long year in many ways. And then I thought about
18 it as we were coming here yesterday. And I was
19 thinking about the comment made by a member of
20 the FIFA Executive Committee, not to me
21 personally, but there was a colleague of mine
22 that was pushing very hard for more gender equity
23 issues to be put into the FIFA statute reforms,
24 and she brought it up at the meeting again on
25 Thursday. And I fully agreed with her on the

1 need for that inclusion. And he let her have it.
2 And I couldn't understand why he was so upset.
3 The meeting finished. And I went to him, and we
4 talked about it. And he said essentially the
5 following: These are western problems -- we were
6 talking about allocated seats at the executive
7 committee, increasing that participation -- these
8 are western problems. High class, exact terms,
9 high class western problems. And the rest of it
10 was essentially, I have difficulty getting sheets
11 to allow little girls to play soccer, and you are
12 talking to me about seats, allocated seats of the
13 FIFA committee? We have got very different
14 issues.

15 And I understood that. I understood
16 his point. We've had a lot of grown-up problems
17 in the last year, and lots of other problems that
18 we have had for a long time, and I will talk a
19 little bit about those, but they're grown-up
20 problems, and many of those are problems that are
21 beyond our control.

22 Last May -- none of this is news to
23 you -- we had a series of arrests, none of our
24 people, but arrests of all the CONCACAF
25 officials, FIFA officials; more of that happened

1 later on, more of it happened with investigations
2 and suspensions from FIFA, more of it happened in
3 December, and if the Attorney General of the
4 United States can be taken at her word, and I
5 think we can take her at her word, there will be
6 more coming.

7 So it's been a pretty painful year,
8 because we have gotten caught up in a storm.
9 None of that has been directed at us, or were
10 members of CONCACAF, or members of FIFA, we have
11 known many of the people who have been involved.
12 In many ways, our people and our companies, and
13 our partners, have had to help clean up, but it's
14 been a painful process.

15 Soccer has been on the front page,
16 not in a way that any of us particularly would
17 have wanted. So starting in May, literally, in a
18 hotel that I was staying at, multiple people were
19 arrested. This wasn't for doing just bad things.
20 This was criminal activity, allegations of
21 criminal activity, and in some cases,
22 confirmation of that because people have plead
23 guilty. That's not the reason any of us got into
24 this. And we have different examples at
25 different levels, but there's been more than a

1 few days in the last ten months when I thought
2 about, what am I doing here? And why am I doing
3 this? This doesn't make a lot of sense. And I
4 can assure you, people in my family have asked
5 the same question. But in a way, that's no
6 different than many of you that have asked that
7 question.

8 And then there's days where you get
9 the answers to those questions, and you know
10 what, it didn't take that long. You saw some of
11 the highlights from the Women's World Cup. Wow.
12 It does not get any better than that if you are
13 involved at the level I'm involved at, and that's
14 no different in terms of the pure joy of watching
15 a kid score a goal in a local game, in their
16 eyes, and their parents, and everything else.
17 Pretty incredible.

18 I can't think of too many things that
19 I have done in the game that were bigger
20 highlights than putting medals around our players
21 in Vancouver in front of a full house, 25 million
22 people watching them score in the U.S., and some
23 of the things that's led to. And two days later,
24 an extraordinary ceremony in Staples Center in
25 Los Angeles, and three days later in my hometown,

1 a ticker tape parade for the Women's National
2 Team in soccer, that the mayor, and Soccer United
3 Marketing, and Major League Soccer, and others,
4 managed to put together in four days, because
5 they hadn't planned on it. We always planned on
6 winning it, but putting that together, and a
7 million people in a ticker tape parade, and Abby
8 Wambach addressing the crowd, it doesn't get any
9 better than that, if you're involved in the game.
10 And that's not just me, all of you, I'm sure, got
11 caught up in that, I'm sure, in one way or the
12 other. Pretty incredible, and the messages that
13 that sent.

14 Then most of the days where you are
15 wondering why you do this, but we still got
16 caught up in a whole bunch of issues during the
17 course of the year, grown-up problems. And
18 frankly, in some of these cases, we have been
19 unprepared to deal with grown-up problems.

20 So, what are some of those grown-up
21 problems? The NFL has had some grown-up
22 problems. And they've been around a long time,
23 with hundreds of staff people and billion dollar
24 budgets, and some player off-field behavior
25 issues.

1 We had one of those. We might have
2 dealt with it differently from ten years from now
3 or ten years ago, I don't know, but we weren't
4 fully prepared to deal with that. We dealt with
5 it in retrospect, in almost the best way we could
6 have, but we weren't fully prepared to do that,
7 to deal with that, but FIFA itself, CONCACAF, no
8 one is prepared to deal with that.

9 Dan never expected that he would be
10 at a Senate hearing, or having to answer why I
11 wasn't at the Senate hearing. Got caught up in a
12 lot of that. I'm not sure that being in the
13 news, that all news is good news, and any
14 coverage is good coverage. I'm not quite so sure
15 about that.

16 On the field, there was other good
17 news, and some bad news. The men's team didn't
18 have a successful year by any measure -- great to
19 win in Germany and Holland back-to-back games
20 against two of the best teams in the world, and
21 trying to attack at the end of the game. That
22 was the Gold Cup. It was a disappointment by any
23 measure. And we got outplayed. No referee
24 issues, as far as I'm concerned. There were some
25 referee issues, that's not what cost us the

1 tournament. And we lost the playoff game against
2 the Confederations Cup and lost two games in a
3 row.

4 Our Under-20 team might have been in
5 the finals, but, in fact, lost in the quarter
6 finals on penalty kicks to the eventual champion.
7 Not quite sure how to evaluate that.

8 So there's been some ups and downs
9 for sure, but in a way, other than the success of
10 the Women's team, this has been a year of
11 off-field issues dominating on-field issues. We
12 will have other people that will talk about some
13 other things, with tremendous success of all of
14 our professional leagues, that's immensely
15 positive, MLS celebrating its 28th year and the
16 NASL having continued expansion, same for the
17 USL.

18 The NWSL will set a record in a few
19 weeks when it starts its fourth season. That's a
20 record for Women's Professional Soccer in the
21 United States, having a fourth season.

22 That will be a good thing, giving our
23 national team players an opportunity, but as
24 you-all know, there's been off-field issues
25 there. Grown-up problems. We're in litigation

1 with the National Team Players Association,
2 litigation that we initiated -- still love the
3 players, still love the team -- so this is fairly
4 a legal matter, and we'll get through that, I'm
5 sure. But when I say bargaining agreements,
6 match-making issues -- not in our games, but
7 they're out there, drug testing -- these are all
8 the grown-up problems. Baseball and basketball
9 at the league level has dealt with these for many
10 years. We've never had these. We're still
11 trying to figure out what do we tell our national
12 team player on the women's side. And if the men
13 qualify for the U-23 level for the Olympics, what
14 are you going to do to make sure we're safe in
15 Brazil? This time we're not talking about
16 security issues. That's always an issue. But
17 now we've got the Zika virus, and water quality.
18 And the U.S. Olympic Committee, now, I'm told,
19 will be having a Senate hearing in the next few
20 days. I talked to the head of the U.S. Olympic
21 Committee yesterday, and they're facing those
22 same sorts of questions. Grown-up problems for
23 sure.

24 And the grown-up problems that all of
25 you have are the big grown-up problems a lot of

1 you have been talking about, some of you have
2 been writing to me about grown-up problems, about
3 how to deal with young kids, age deferred across
4 the country, and this age change. And we've been
5 looking a lot at that. And we'll continue to
6 look at that, and how do we change these fields
7 to smaller size, things that we think are in the
8 best interests of the game long term, but
9 certainly cause some dislocation in the short
10 term.

11 Grown-up problems. These are pretty
12 important grown-up issues in the video, and maybe
13 the most recognizable, in many ways, the player
14 in the history of the Women's game, and Abby
15 Wambach is beyond the game in so many ways in
16 what she's done for this sport, as a role model,
17 as an outspoken person and player, and she
18 retired.

19 And one of the highlights of the year
20 is certainly watching her at the Women's World
21 Cup Final, a trophy in her hand, going over to
22 see her partner at the end of the game, and
23 watching her, after she was told specifically by
24 the head of security, Do not do this, asking for
25 a selfie with the President of the United States,

1 and the entire team, and he was happy to do it,
2 and she managed to take a selfie without getting
3 herself in it. That wasn't a grown-up problem.
4 That was a kid's problem. That was pretty good.

5 And then we had the last few weeks
6 where FIFA had a Congress, and CONCACAF had a
7 Congress, and the year buzz word for the last six
8 months, last 12 months, has been "reform." We
9 reformed a lot, reformed the statutes, trying to
10 change the statutes of those organizations to
11 bring them, frankly, into compliance with, in one
12 way, modern practices. Most of those things
13 we've had for many years. So if some of the
14 things that didn't exist in either of those
15 organizations, publication of compensation, term
16 limits, we'll talk about some of these things in
17 the next 12 months for ourselves, but any
18 compliance issues, and so on, things that are
19 normal here, things that are required, in some
20 cases, by American law, and over the last 72
21 hours, CONCACAF has changed their statutes. FIFA
22 has changed their statutes, so, to name but a
23 few, both organizations, now, will have term
24 limits for their equivalent of their board.
25 They'll be called something different, councils.

1 Both organizations will have
2 integrity checks for all candidates that are
3 seeking office on council at the executive
4 committee level or on committees. Both
5 organizations will have compliance officers, and
6 on and on and on. Full disclosure of
7 compensation for board members and senior
8 executives, which we have by American law, and
9 many other things, and most of those got passed,
10 in CONCACAF's case, unanimously. CONCACAF also
11 added for the first time, there was no other
12 confederations that's done this, added
13 independent directors. And I've said at the
14 CONCACAF meeting, and I've said at the FIFA
15 meetings, and I've said many times at this
16 meeting, one of the best things we've ever done
17 is add independent directors. We got halfway
18 there with CONCACAF. They added them, but
19 nonvoting. It will take a little longer to make
20 that next step.

21 So CONCACAF and FIFA came a long way
22 in the last few days in terms of their statutes
23 in almost all cases, the things that we already
24 have. A few things that we will move forward for
25 next year, like term limits, and others, that the

1 Rules Committee is still looking at. We have a
2 long set of proposals, that the board and the
3 Rules Committee will work on and bring back a
4 full package for next year.

5 But even with all the rules that
6 we've had in place, and I think, good governance,
7 generally, we need to do better. And not just
8 because of things that happened last May, but
9 more generally, we've been taking a very good and
10 strong look at ourselves, and not doing it only
11 internally. We have asked two important groups
12 to look at us externally.

13 So we asked Latham Watkins, which is
14 our outside counsel, to do an internal compliance
15 review. And they've come back with a series of
16 suggestions about finance, about having an
17 internal compliance officer, and having
18 independent people on our audit and compliance
19 committee, about having a governance committee,
20 all of those sorts of things.

21 Some of those we'll put into motion
22 immediately, and we did. We had generally good
23 marks from them, because we're in pretty good
24 shape on those things, but not A plus, not an A,
25 so we'll do that.

1 And separate and apart from that,
2 we've had McKinsey, a highly reputable consulting
3 company look at us in even a broader way about
4 how do we manage the Federation? How do we
5 manage the board? How do we manage our
6 relationship between the board and our
7 constituents? And the first piece of that is the
8 board dynamics.

9 So I had asked McKinsey to come in
10 and take a good look at us, and said, no holes
11 barred. Lots of criticism? We want to know
12 about it. Consider the iterations of how we
13 should do things differently at the board level
14 or at these meetings, let's hear about it. And
15 these things are expensive, but well worth doing.
16 And it's not only well worth doing, we have the
17 finances to do it.

18 So it's not all, let's look at
19 ourselves, in the bad news from the world. From
20 the financial side of things, we are in the best
21 shape we've ever been -- by a country of miles,
22 or maybe, expressed to me, by a country of a 100
23 million miles, because that's roughly where we
24 are.

25 In a very short period of time, our

1 budgets have expanded dramatically. And that's
2 primarily due to two commercial agreements with
3 Soccer United Marketing, and with Nike, and an
4 increase in our National Team games, and the
5 Women's games now picked up as well.

6 So you have got to ball park it, ball
7 park it -- and you've got budgets, so you won't
8 need to ball park it -- you'll get exact numbers,
9 \$100 million budget, and the ball park is \$100
10 million in reserves. That's a long way in
11 looking, Hank, from where you were. So as soon
12 as we got retained, these things happened.

13 While he was trying to deal with the
14 resources that Hank had at his disposal, there
15 was nothing like this, and they certainly
16 weren't, when we were in the '80s, or when some
17 of you were involved even before that. That's
18 extraordinary.

19 And yesterday, we had the FIFA
20 meeting, and some of the candidates were saying,
21 This is your money, and we're going to give it
22 all back to you, but part of that was the
23 election year. Well, we're going to be going the
24 same way. Luckily, I'm not up for election in 20
25 minutes, we're not doing it because of that. I

1 have already written to our Board. We have a lot
2 of money in the bank. That doesn't mean that
3 we're going to distribute all of that. We need a
4 healthy set of reserves because those games don't
5 always go well, and we've got enough litigation
6 to keep two or three law firms busy forever,
7 which isn't a fun thing, and it's very expensive,
8 but we want to see how we could get some of that
9 money back out to grass-roots development or
10 maybe to professional referee development. We
11 don't know.

12 In the note I sent to the board is,
13 at our next meeting, we will start a process to
14 talk about that. We don't need \$100 million in
15 reserves, and I would think by the end of this
16 year that number will increase. Why? Because we
17 have got a phenomenal event coming this summer.
18 The Centenario. COPA America, 16 teams, ten
19 best -- well, not 10 best -- well, I guess it is
20 the ten best, all ten teams from South America,
21 and 16 from CONCACAF. Out of those 16, eight of
22 them played in the second round of the World Cup.
23 We put tickets on sale, and to say that they are
24 moving briskly would be an understatement.

25 Jay Berhalter, who is the CEO of that

1 project, my guess is at the end of that
2 tournament, the little tournament that we're
3 putting on, will outdo the Euro in terms of
4 average attendance, because we've got bigger
5 stadiums than they do, which is a great thing.
6 And we'll have done it on seven months. Why?
7 Because we planned this a year and a half ago,
8 and then virtually everyone that had signed the
9 document or was responsible for it with some of
10 our partners, not on our side, wasn't in a
11 position to attend the tournament.

12 So we had a series of arrests with
13 the leadership of both CONCACAF and CONMEBOL, and
14 we had, I don't know how many calls with our
15 board, should we do this thing? This makes no
16 sense. The counter parties, and it was shown,
17 the allegation is that the tournament itself, not
18 in a creative sense, but that the number of
19 people who agreed to the tournament had been
20 incentivized, so, in legal means, paid off. Do
21 we really want to do this? Do we want to put our
22 name on this tournament?

23 And for much of last summer, I would
24 have said, we wouldn't have agreed to that -- I
25 mean I would have agreed to it -- but the Board

1 said, we don't want to go near this; some
2 dissenting views. And as time went on, we got
3 more comfortable with the possibility, not
4 because we needed the money, our partners,
5 CONCACAF and CONMEBOL, certainly need the money,
6 not because Soccer United Marketing was pushing
7 us too, and Nike, they were saying, you guys
8 shouldn't go near this.

9 The whole thing had been about
10 marketing companies providing illegal kickbacks
11 to federation presidents and confederation
12 presidents. But in the end, we decided to do it.
13 We got all of the bad actors out of the middle.
14 We got everyone to agree that all of the funds
15 would come into the segregated account in the
16 United States, and we would control all funds,
17 and none would be disbursed until we said it was
18 okay.

19 And part of that, those processes,
20 "We," means making sure that the Department of
21 Justice says it's okay. That's not a normal
22 thing that we deal with -- making sure if we're
23 really seeing profits. So those are new things,
24 but this tournament will be a fantastic
25 tournament, and I have no doubt that it will be

1 economically successful.

2 Tickets are going very rapidly. We
3 will open up different forms of tickets down the
4 road. We had a world class event this past
5 weekend, starting the week of activities, FIFA
6 draw in New York, with the Hollywood website
7 draw, in terms of what is a relatively simple,
8 straightforward draw into TV production that
9 Univision put on live, as well as Fox Live, so
10 that will be a big hit. They've done ten markets
11 across the country, and a couple of markets were
12 already over 30,000 tickets sold, and you have to
13 buy three tickets, which means essentially there
14 are 100,000 tickets sold because you buy three
15 tickets for three separate games which is
16 extraordinary.

17 It will certainly be the biggest
18 men's event here since '94, and I always say the
19 biggest men's -- the biggest event -- we had a
20 pretty good event in 1999 as well, on the women's
21 cup side.

22 So we will have the financing and
23 we'll figure out ways to run programs in
24 conjunction with you, and maybe even with the
25 councils, and we should get the councils working

1 together, especially with the youth side -- a
2 little bit different dynamics with the adult.
3 The Pros have some other constraints in legal
4 terms, and maybe there's a referee program we can
5 put together, there's resources available. We
6 need to figure out a way to best use those, and
7 we will do that over the weeks and months to
8 come.

9 That's kind of the past, and a little
10 bit about the future. Let me tell you a little
11 bit about the present, and then I will have
12 Commissioner Garber chime in on part of this.

13 We were in Zurich these last three
14 days, and Arthur Mattson was with us, John
15 Collins was with us, Don Garber was with us,
16 Carlos Cordeiro was with us. They came back
17 early. They were our delegates at the FIFA and
18 CONCACAF conventions -- and I was there for all
19 of it, but I was a member of the relevant
20 committees, I wasn't one of our delegates -- and
21 a lot of people coming and talking to us about
22 the elections that were there, about the
23 statutes. The statutes were passed unanimously.
24 And then yesterday was quite an interesting day.

25 The day before, we met with all five

1 of the candidates. My guess is that we may be
2 one of the very, very, few federations around the
3 world that had multiple board members at formal
4 meetings meet with all five candidates. And we
5 did that on Thursday night and made a decision,
6 and the election was yesterday. And I will let
7 the Commissioner talk a little bit about the last
8 48 hours, and when we got here -- do you want to
9 do it from there Don, or do it from here?

10 MR. GARBER: I will do it very
11 briefly. I think everybody has probably read or
12 heard or seen some of the things that took place
13 over the last 24 hours.

14 What I think was lost in all of this
15 was the governance changes at CONCACAF, which
16 were dramatic. I'm sure Sunil will talk a bit
17 about that, but I think we're all looking forward
18 to being part of a confederation that we can be
19 proud of. And the massive amount of work that
20 was done by that organization, and their
21 consultants, to come together and reform, in many
22 ways, how decisions are made, how they're
23 represented, how to deal with gender equity and
24 the like, and I think that was really one of the
25 great stories and outcomes for U.S. Soccer and

1 that were an important part of the confederation.

2 But what was really remarkable
3 yesterday, and it was really only a few hours
4 ago, is that, we, for the first time, had all the
5 councils represented at the congress as part of a
6 presidential election led by Sunil; Arthur
7 representing the amateurs, and John Collins
8 representing the youth, Carlos representing the
9 independents, and myself representing the
10 professionals. And it has not been easy to be an
11 American in the world of international futbol or
12 soccer over the last year or so.

13 For reasons that you wouldn't be
14 surprised, we were viewed as being responsible
15 for all the things that we very much believed
16 were very positive in terms of the changes and
17 the reforms that the entire sport was asked to
18 approve yesterday. But I will say on behalf of
19 our guys, I was proud to be an American
20 yesterday, and I was proud to be a member of this
21 Federation, and proud to have Sunil as our
22 president, who after decades of being part of
23 this organization and coming up through the
24 ranks, he has, as many of you probably know,
25 worked the floor. And in my view, and I think,

1 through Arthur, and John, and Carlos, helped
2 deliver the election to a new president that we
3 feel very strongly about.

4 And that's not the way things were in
5 the past. A lot of that has to do with just the
6 changes that are going on throughout the world of
7 FIFA, and the fact that the United States is
8 looked at now as having more influence in
9 representing things that are a big part of our
10 character, and things that drive our moral
11 compass. But to see it happen on the floor
12 yesterday, as you probably, many of you might
13 have been watching on television, I don't believe
14 Gianni Infantino would be the president if not
15 for the relationships that Sunil was able to
16 develop and earn over the last number of decades.

17 So Sunil, I'm going to say to you, I
18 probably would have saved this for the end, on
19 behalf of all of us, thanks for everything that
20 you did yesterday. Thanks for what you have
21 done, for the countless days and months and years
22 to earn the trust and the relationships that you
23 were able to create over almost a lifetime of
24 being involved in the sport. And it is a new day
25 for all of us. And we're all very excited about

1 what that new day will bring for every member of
2 this organization, and, hopefully, the entire
3 soccer community.

4 So thank you very much, Sunil.

5 (Applause.)

6 PRESIDENT GULATI: Thanks. Thanks,
7 Don. That's not exactly what you said you were
8 going to say when I gave you the microphone, but
9 I appreciate it very much.

10 A couple of last things, and then
11 we'll move on, as we look forward.

12 We talked about the finance, some
13 things we're going to do. You're going to
14 continue to see us take actions in trying to get
15 the underserved communities more involved,
16 continue to take actions on gender equity, which,
17 by the way, from our board, which I had more
18 involvement in yesterday's FIFA elections than
19 any board has had, certainly in our history, and
20 the two things that were highlighted by our
21 board, which we made it very clear to the five
22 candidates, as well as to the New York Times when
23 they asked, what governance issues, obviously
24 these days, and gender equity issues, and I think
25 they understood that and will continue to be

1 leaders in that area.

2 I said yesterday in an interview with
3 Fox, they asked about the 2026 World Cup, and I
4 said, you know, it was too early to start talking
5 about that, but we had talked about qualifying
6 the candidates the previous day, so maybe it was
7 not too early then, but that's certainly
8 something we want to see come back, the World
9 Cup, whether it's the men's, the women's or both,
10 and so that's part of our future.

11 Part of our future is getting more
12 prepared to deal with some of the issues that we
13 have not dealt with as well as I would have
14 liked, or many of us would have liked, but we'll
15 continue to put, update events, but we also --
16 and I certainly also appreciate that a great part
17 of what we do is done by the people here, and the
18 people around the country.

19 Because we've got millions of
20 members, 99.999 percent of which none of us here
21 deal with directly. And obviously, 99 1/2
22 percent, none of you deal with directly. But you
23 run programs, whether it's professional programs
24 or adult programs or entry programs or Special
25 Olympic programs, or whatever it might be, that

1 do that every day, and that's the basis, and
2 that's the heart of what we do, what U.S. Soccer
3 does.

4 Yesterday, you saw it on TV. But we
5 know that the millions of kids, and the hundreds
6 of thousands of adults, and the hundreds of adult
7 professional players are what make this game
8 great, and the hundreds and thousands and tens of
9 thousands of referees, and the same on the
10 coaches side, and our job is to make sure they
11 all have a better opportunity and an access to
12 get better, whichever part of the game they're
13 in.

14 We end up focusing on 11 men and 11
15 women, probably 18, 20, 100, but they're on TV a
16 lot, but we understand and appreciate, understand
17 and appreciate everything you do. So, sorry it
18 hasn't been quite as great off the field as we
19 would have all liked.

20 We will all work better and harder at
21 that to make it better, but I want to make sure I
22 end by thanking you for everything you do for the
23 sport, and I will talk about my affection for the
24 staff later on, but this is really about the
25 people on the other side.

1 So thank you for everything you do.
2 And we will move on to the next item. But thanks
3 again.

4 (Applause.)

5 PRESIDENT GULATI: I'm going to thank
6 the officers and committee members, who wrote
7 reports for their reports, and then thank them
8 again by not allowing them to speak beyond their
9 reports. So you have got the reports.
10 Generally, we have one or two of them speak.
11 We're not going to do that today since you've got
12 very detailed reports.

13 Normally, we have Dan speak as part
14 of the General Secretary's report. I understand
15 that he had a town hall meeting which many of you
16 attended. So we're going to move past that as
17 well, and did a full presentation from Dan and
18 the staff, and covered a number of things and had
19 lots of questions, so we're going to skip that.

20 And we are on to new business.
21 Mr. Flamhaft?

22 MR. FLAMHAFT: Yes, sir.

23 PRESIDENT GULATI: Do you have
24 something that you would like to bring up under
25 new business?

1 MR. FLAMHAFT: No, sir.

2 PRESIDENT GULATI: Thank you.

3 We are then on to, proposed budget,
4 Mr. Cordeiro. Proposed budget for 2017. Carlos.

5 MR. CORDEIRO: Thank you. Good
6 morning.

7 Let me first thank U.S. Soccer staff,
8 and the Budget Committee for their efforts in
9 preparing the review of the proposed fiscal year
10 '17 budget. You all have a copy of the budget in
11 your book. Yesterday, we met with a handful of
12 council members at our Q & A session, which I
13 hope addressed any outstanding questions.

14 As Sunil has already said, today U.S.
15 Soccer finds itself in an exceptionally strong
16 financial position, due to a growing fast sport
17 and increasing institutional sponsor interest in
18 soccer in our country. In less than a decade, we
19 have gone from annual budget deficits to adding a
20 surplus, grinding the Federation for continued
21 investment in the development of our sport.

22 In the current fiscal year, which
23 ends next month, March, we had budgeted where it
24 break evens itself, but can now project a surplus
25 of 17.7 million, driven almost exclusively by the

1 extraordinary success of our Women's National
2 Team. Never before had we seen a gate of a
3 million dollars for a Women's Friendly, let alone
4 ten games of a million dollars with a handful
5 receiving 2 million.

6 Our positive position is expected to
7 continue with the fiscal year '17 operating
8 budget surplus of 2.6 million, and an overall
9 surplus of 19.8 million. This includes, as Sunil
10 said, an extraordinary nonoperating income item
11 of 15 million related to hosting COPA America
12 2016 this June. This one time boost is otherwise
13 offset by continued expansion of our player
14 development and strategic initiatives introduced
15 across the technical spectrum.

16 Looking beyond fiscal year '17, we
17 should see a normalization of the revenue expense
18 relationship driven by the commercial deals
19 included in 2014, and fully expanded technical
20 investments in the game. From referees to
21 coaches, and, of course, to our most highly
22 profile product, the athletes. That said, and
23 again, as Sunil has already said, we clearly have
24 the means to support the initiatives.

25 Working in conjunction with our

1 councils, we have the resources to invest in new
2 programs to support our grass-roots efforts.
3 This is something that my committee and I
4 whole-heartedly endorsed this morning.

5 We met in November to discuss the '17
6 budget, which was then sent to the Board of
7 Directors in December. The only change suggested
8 by the Board was the inclusion of the
9 extraordinary item relating to COPA America. The
10 materials presented in your book reflect this
11 addition, and this is what we are recommending,
12 this is what the Board is recommending for your
13 approval.

14 If there are no questions, I would
15 ask for a motion to approve the budget.

16 MR. EDWARDS: So move.

17 PRESIDENT GULATI: Mr. Edwards has
18 moved. Do I hear a second?

19 MR. SCHERER: Second.

20 PRESIDENT GULATI: Second. Thank
21 you. Any questions, comments, regarding the
22 budget?

23 Seeing and hearing none, we will
24 approve the budget for fiscal year 2017
25 unanimously. Thank you.

1 From that, we will go to a quick
2 video, which will be a part of this extraordinary
3 item that will be on the budget at some point,
4 which is for Centenario. This is a cash flow
5 statement. It's a little video about tournament.

6 (Video shown.)

7 PRESIDENT GULATI: There will be lots
8 more highlights like that. As was mentioned,
9 some of you read, the Argentine coach, has
10 confirmed that Lionel Messi will be at this
11 tournament, and we met with the Brazilians this
12 past week, and it would be too early for me to
13 confirm, but he has confirmed that apparently
14 they're going to bring a full team including some
15 players from Barcelona, who we shouldn't put that
16 in the news yet, but he'll be here. Buy your
17 tickets quickly. Lines are open as we speak.

18 So should we take a quick break, as
19 you reach for the cell phones? Excellent. Okay,
20 we will move on then from New Business.

21 Proposed amendments to the Federation
22 bylaws. Bylaw 213 which has been forwarded by
23 Mr. Motta. Mr. Motta would you like to speak to
24 that?

25 MR. MOTTA: John Motta, Chairman of

1 the Adult Council.

2 At this time, I would like to
3 withdraw the proposed amendment, based on the
4 fact that U.S. Soccer will be doing some bylaw
5 rewrites in this current year and, hopefully, we
6 will have this back on the table for next year's
7 AGM. Thank you.

8 MR. BUSCH: Mr. President?

9 PRESIDENT GULATI: Can we make that
10 mic live?

11 MR. BUSCH: It is live, sir.

12 Mr. President, members of the
13 committee, and the National Board of Directors,
14 Tim Busch. I'm a member of the Adult Commission
15 and President of the Washington State Adult
16 Soccer; in 2015, became intimately involved in a
17 situation where our state association was
18 challenged.

19 And while we prevailed, I think it's
20 probably a reflection that when you are
21 successful, people challenge you. There's been a
22 challenge to Cal South Adult as well. We find
23 that while the process, in terms of how it was
24 handled by the committee was excellent, there is
25 no provision currently in the bylaws to ensure

1 that there's sufficiency when people make an
2 application. And so I understand, and from our
3 perspective, it's unfortunate that we go another
4 year with the ability for anybody to make the
5 claim they can do a better job as our state
6 association.

7 And so we would sincerely ask that
8 the Board take seriously doing some revisions in
9 that area. Thank you.

10 PRESIDENT GULATI: Okay. Thank you.
11 So that's withdrawn.

12 Bylaw 802, Mr. Flamhaft, is that
13 being withdrawn?

14 MR. FLAMHAFT: Yes, sir.

15 PRESIDENT GULATI: Bylaw 802,
16 Mr. Flamhaft has withdrawn his bylaw. There are
17 no other bylaws.

18 We now are on to two policies, 601-6
19 regarding international clearances, and policy
20 102-4-1, regarding the Lamar Hunt Open Cup, and
21 this is a combination of policies or decisions
22 made by the Board; is that correct?

23 UNIDENTIFIED SPEAKER: Correct.

24 PRESIDENT GULATI: We can take those
25 together unless there's an objection. Make a

1 motion to confirm those collectively.

2 UNIDENTIFIED SPEAKER: So moved.

3 MR. EDWARDS: So move.

4 PRESIDENT GULATI: Seconded.

5 MR. CHRISTOFFERSEN: Second.

6 PRESIDENT GULATI: Any comments on
7 that? We'll approve those or confirm that
8 approval unanimously. Thank you.

9 (Motion passed.)

10 PRESIDENT GULATI: We are on to U.S.
11 Soccer Vice President nominations. We have
12 election year, the position of Vice President is
13 open. Mr. Edwards' four-year term is at a
14 conclusion. So with that, we will open up the
15 floor for nominations for Second Vice President
16 of the United States Soccer Federation.

17 And before you start, what we've
18 agreed is people can have a nominating speech, a
19 second, if they choose, they're not required to
20 do that. We will give all three candidates,
21 announce the candidates, an opportunity to speak;
22 if there was a fourth or multiple candidates, we
23 will give them an opportunity to speak as well
24 for up to five minutes. And we determined that
25 order for those that were preannounced.

1 One of the things that we will do in
2 the future is have a nomination period, so we can
3 do the same things that everyone else does which
4 is run background checks and so on, on nominees.
5 That's not where we are on now. Please.

6 MS. GARCIA: Good morning. Yvonne
7 Garcia, Vice President of the New Mexico State
8 Soccer Association, Adults.

9 I would like to nominate Mike Edwards
10 to continue in his role as Vice President of U.S.
11 Soccer. Mike has been a good friend and mentor
12 to me and many of my NMSA Board members for many,
13 many years. His passion for Soccer is apparent
14 every day, whether he goes on a road trip to
15 support one of our rural soccer committees in New
16 Mexico, or puts on a suit and tie and represents
17 U.S. Soccer on the international stage. Mike is
18 always approachable. And I'm sure there's many
19 people in this room who can attest to that, and
20 experienced this firsthand.

21 He has been available to USASA for
22 many years, actually, probably decades, while
23 probably -- and extended the same support to all
24 of U.S. Soccer now for over ten years.

25 In addition to supporting the

1 players, recreational and professional, he has
2 been an important advocate for our referee
3 community. He understands the significant
4 changes in referee education, as well as having
5 challenges to our referees, facing each Sunday
6 during recreational soccer meets. I often ask
7 myself how he does it and what keeps him going?

8 He manages the local Albuquerque
9 Soccer League in Albuquerque. He drives to
10 Roswell, Las Cruces, and Grants, and let me tell
11 you, these are no scenic routes. This is a very
12 long drive. Just to go home, grab a bag, and fly
13 out to some country ending in -stan to represent
14 all of us here in U.S. Soccer.

15 So why does he do it? And how does
16 he keep going? And the answer is really, really
17 simple. It's his undying passion for the
18 beautiful game, his belief that his work is not
19 completed yet, and that there are more great
20 ideas for the co-initiatives at the end of the
21 day, more of his heart to give to this great
22 organization.

23 From the soccer fields of New Mexico
24 to the national games all around the world, Mike
25 has been a passionate ambassador to the youth,

1 the adults, the athletes and the professionals.
2 I'm looking around this room now and asking all
3 of you to continue your support for Mike Edwards
4 in his role as Vice President for U.S. Soccer.
5 Thank you.

6 (Applause.)

7 PRESIDENT GULATI: It's a formality,
8 but I'm going to confirm with Mr. Edwards that he
9 accepts the nomination.

10 MR. EDWARDS: I'm a little bit
11 overwhelmed, but yes.

12 PRESIDENT GULATI: All right.
13 Mr. Groff.

14 MR. GROFF: Good morning. Richard
15 Groff, Adult Commissioner.

16 I'm here to nominate Kevin Payne as
17 Vice President of U.S. Soccer. I met Kevin in
18 1988. I was a new volunteer from Pennsylvania,
19 and Kevin had just been hired by Werner Fricker
20 to be a U.S. Soccer staff member. For the next
21 28 years, I have worked closely with Kevin. I
22 have seen his dedication, his passion, his
23 creativity, and his willingness to solve problems
24 for this organization.

25 He started out as an executive in

1 U.S. Soccer. He recognized at that time, we
2 didn't have a great deal of funds, and he became
3 a marketing executive. And over that time, on
4 behalf of U.S. Soccer, he grew the amount of
5 money available to us, through sponsorship
6 fourfold. And then he went to his passion,
7 professional soccer. Leading a team in
8 Washington D.C. to championships, an executive in
9 a Pro Soccer, and working in the Pro Council, and
10 at the same time working with our National Team
11 coaches, as the chair of the National Team
12 Technical Committee.

13 And today, he is a grass-roots
14 organizer in both the youth and the adult
15 councils. It's been my honor for 28 years to
16 work with him, to see his passion for this sport,
17 and his dedication to U.S. Soccer. As a friend,
18 I nominate Kevin Payne.

19 (Applause.)

20 PRESIDENT GULATI: Kevin, where are
21 you? Do you accept the nomination?

22 MR. PAYNE: Yes.

23 PRESIDENT GULATI: Okay. Thank you.
24 Evelyn Gill.

25 MS. GILL: Good morning. I'm Evelyn

1 Gill, current board member of U.S. Soccer, and
2 retired Vice President of U.S. Youth Soccer.

3 I wish to nominate Carlos Cordeiro
4 for the office of Vice President of U.S. Soccer.
5 I have had the opportunity to work with all three
6 candidates, and I believe that Carlos is the
7 right person at this time to serve as our next
8 Vice President. I have watched Carlos expand his
9 role as independent director to one that includes
10 more interaction with the councils. His
11 willingness to listen to members and make what he
12 has heard part of board discussions will benefit
13 all of us, youth, adults, athletes, and pros.

14 His belief that U.S. Soccer needs to
15 begin to share the financial rewards, and its
16 members -- with its members, not by decree, but
17 by discussion, meaningful discussion, will make
18 him an important advocate on the Board of
19 Directors.

20 Carlos understands the importance of
21 our direction, collective grass roots efforts,
22 and the need to help us strengthen and expand our
23 programs, so that we can continue to grow our
24 membership. He understands the frustration many
25 of us have felt when trying to have our concerns

1 listened to and changes made. Carlos is a strong
2 advocate for strategic and succession planning, a
3 critical issue, at this time, for a Federation.

4 I ask that you give him your vote.
5 Thank you.

6 (Applause.)

7 PRESIDENT GULATI: Mr. Cordeiro, do
8 you accept?

9 MR. CORDEIRO: Yes.

10 PRESIDENT GULATI: Great. So we will
11 have three speeches -- can you move that chair
12 up -- that chair right in front of me. Somebody
13 waiting to do something, I don't know -- like, up
14 here.

15 Mr. Edwards, you are up first, up to
16 five minutes, please.

17 MR. EDWARDS: Just in case you
18 wondered how this happened, we drew names out of
19 a hat, and the first name that came out was Sepp
20 Blatter, and Sunil said that's you. So I got to
21 be the first guy to go.

22 Just so there's no confusion
23 whatsoever, and we all said this yesterday, Kevin
24 Payne and Carlos Cordeiro are friends of mine.
25 We were friends when we got here. We will be

1 friends when we leave. Richard Groff and Evelyn
2 are friends of mine. We're friends when we came
3 in here, we will be friends when we leave.

4 To me, this is a good sign that you
5 have got three of us that are absolutely
6 perfectly qualified to be a vice president, and
7 quite frankly, if my friend here gets a bad
8 mushroom, we're perfectly qualified to step up.
9 That's a good sign for the organization.

10 And as Sunil was going through the
11 horror stories of CONCACAF and FIFA, I think it
12 should make you feel good that some of you who
13 stood up, played on our national teams long ago
14 when the ball was square, and been at AGMs for
15 30, 40 years, that hasn't always been the case.
16 So, I think it's a good sign to have the
17 organization, to move forward, that we're much
18 more focused on the game, much more focused on
19 our organization than we are on personalities.

20 I look around, we're all kind of,
21 we're products of where we came from. And mine
22 was a guy who runs a soccer league. And so I
23 have kind of tended to look at that as my first
24 focus. And when we had, we had a board meeting
25 in the locker room at the stadium in Los Angeles,

1 and Sunil asked us, with new resources, where we
2 would go? And my bumper sticker euphemism was
3 that we have had 4 million members for four
4 million years. We're really good at getting
5 people to come to our games. We need to get some
6 focus on getting parents of the four- and
7 five-year-olds to come to our sport. Life is
8 very different. Communications, getting people's
9 attention, is very different from 1994, when a
10 World Cup just went boom with interest in our
11 country, and our membership just wham, took a big
12 jump.

13 I think U.S. Soccer could give
14 resources to all of the members to use to help
15 bring in, to help convince parents to bring your
16 kid over here to run off that excess energy. You
17 have got to communicate now in less than 140
18 characters. We can figure that out. We do
19 pretty well with that.

20 So I think not all of the resources
21 have to be money, time, something, that fits all
22 of us. That's something that is valuable that's
23 going to come out of U.S. Soccer, and see if we
24 can't make that 4 million be 6 million. We've
25 got a bigger pond. You got more fish; when you

1 got more fish, that may be an opportunity to get
2 an expanded player base all the way up to the
3 top; professional soccer grows, somewhere, we're
4 going to have to find a professional soccer
5 players. So it goes from the bottom all the way
6 to the top. If we're going to have improved
7 coaching, we need players to coach, and I think
8 we could help expand that membership base.

9 As I have traveled around the
10 country, beyond Roswell and Grants, New Mexico, I
11 have seen a passion of people that they want to
12 get involved. They want to help.

13 And when I look at this group
14 representing a much larger group, this is what I
15 think is an untapped resource for U.S. Soccer to
16 engage to support our Women's Professional Soccer
17 League. Two of them have gone down. The third
18 one stays in business.

19 We support it extensively, but it
20 would be nice to grow that out with the support
21 of local soccer being engaged by us, beyond the
22 Women's National Team games. We can't survive
23 strictly on those. We need a vibrant,
24 profitable, at least, break-even women's soccer
25 league, and I think we need to call on local

1 soccer resources, as I tell people, you see
2 100,000 people wearing a Real Madrid jersey that
3 never, they have no clue where Madrid, Spain is,
4 but they're wearing the jersey. We could flex
5 some of that attention to the NWSL, show them
6 some love for futsal, for beach soccer, for
7 Paralympics soccer, to again engage our own
8 membership in getting programs to go with those
9 that so that we could coordinate those, so Sunil
10 can get a scouting base set up.

11 It's a much smaller universe of
12 people, but again that's something we can engage
13 our membership to participate with U.S. Soccer in
14 those types of activities. And we discussed a
15 great deal, as Carlos, and Kevin, and I have
16 talked, the governance and kind of a disconnect
17 between U.S. Soccer, we need to better connect
18 the dots between policy coming in, decisions
19 being made, and the involvement of the people who
20 those impact. And we are all committed, I know,
21 to improve the governance. It is indeed a --
22 this board is primarily comprised of members with
23 three independent directors.

24 So, it's not your classic, classic
25 corporate board, where you go outside to find

1 people to sit on the group of a board of
2 directors. We are driven in our composition here
3 by the membership, but we can indeed make it
4 reflective of better corporate governance at a
5 better time. At the same time, we can make it
6 better reflective of the needs of the membership.

7 So, that's my pitch. I hope you will
8 vote for me, but be crystal clear, if I'm not the
9 Vice President when I walk out of here, I'm not
10 leaving. I've got a long list of things to do,
11 and I told Sunil that, and so maybe I wouldn't
12 have to wear a tie to meetings.

13 Okay. Thank you.

14 (Applause.)

15 PRESIDENT GULATI: The reasons I'm a
16 vegetarian are pretty obvious. The reasons, the
17 one vegetable I don't eat, Mike, is mushrooms.

18 All right. Second on the list,
19 Mr. Cordeiro, up for five minutes.

20 MR. CORDEIRO: Well, good morning,
21 and Evelyn, thank you for nominating me.

22 Ladies and gentlemen, it's a great
23 pleasure and privilege for me to be with all of
24 you today to share with you my vision for U.S.
25 Soccer. As many of you have already heard from

1 me, I hope this doesn't come across as too
2 repetitive, and I know that for some, I know that
3 for some this will be the first time that you
4 will -- I will have had the opportunity to
5 introduce myself.

6 For those I have met, I am struck by
7 your commitment and dedication to sport across
8 the country, to our sport. We are all volunteers
9 here and without you, we would not be where we
10 are today. In many ways, the people in this room
11 represent a significant part for our game's
12 future.

13 As a Federation, we have achieved
14 significant positive milestones over the past
15 decade. But I'm acutely aware that you and your
16 respective associations and organizations face
17 many issues these days. Not least the growing
18 challenges, the challenges growing your
19 membership and your relationship with our
20 Federation. So let me return to this and other
21 challenges in a few moments.

22 As you know, I was invited to join
23 the Federation Board as the first ever
24 independent director in 2007. I come from the
25 business world. And I was introduced to the

1 sport when I volunteered to serve on New York
2 City's Olympic bid 15 years ago.

3 Over the ensuing ten years or so, I
4 have taken on a number of voluntary roles here at
5 U.S. Soccer, including serving as your treasurer,
6 acting as vice chairman of our World Cup bid, and
7 chairing the budget committee. Through all of
8 this, I have been passionate about the
9 development of our game. And I think it's fair
10 to say, that I'm usually, for an independent
11 director, I have a deep understanding of how the
12 Federation works, the good sense of the progress
13 we've made, but the fact, more importantly, an
14 understanding of the challenges ahead. And it is
15 for this reason I want to become even more
16 engaged, and why I am putting myself forward as a
17 candidate for Vice President.

18 Let me, perhaps, briefly summarize
19 why I would like to be your Vice President, and
20 why I think it's important we make a change in
21 2016.

22 First, and I have said this before,
23 through all the sessions yesterday, I really
24 believe, we can only continue to be successful
25 and grow the sport, as we have at the Federation,

1 if this success is mirrored and replicated across
2 the country, particularly, at the grass roots.
3 It's people and organizations like you, who are
4 ultimately why we exist, and we cannot forget
5 that. In a rising tide, all boats need to rise.

6 Second. Our Federation is now a
7 multimillion dollar business, and we can
8 certainly do more with our resources to help our
9 members. Sunil has already alluded to that. I
10 will use the skills and experience gained in the
11 international business to make the board a better
12 steward, given the responsibilities bestowed on
13 us.

14 This is what I have done throughout
15 my career, advising, and in fact, sitting on
16 boards and committees. I need not remind you
17 that world soccer is under intense scrutiny these
18 days, and we need to be at the forefront of this
19 change that has now been demanded of our sport.

20 Following yesterday's election of the
21 new FIFA president, we cannot waste a single
22 moment in restoring confidence around the
23 governance of soccer.

24 Third, I'm at a stage in my
25 professional life where I've got the time and the

1 energy to take this on. I am retired now from
2 business and will be accessible and passionate
3 for all of you as your Vice President.

4 Yesterday, in my discussions with
5 many of you, I heard many critical comments about
6 the Federation. That there is not enough
7 communication or dialogue between the Federation
8 and its members. In today's world, in major
9 leagues, that's not acceptable. And for anyone
10 that knows me, they will attest that this is not
11 my way. Communications are our lifeline. While
12 we don't have time now to go through any
13 specifics, what I can best do is listen to you to
14 help facilitate discussion, to ensure that all
15 views are represented, and that critical and
16 strategic decisions taken by our board as a
17 whole, and not in isolation.

18 I will work hard to deliver this in
19 conjunction with your representatives on our
20 Board. We definitely can do better as a
21 Federation, and will do better.

22 As Vice President, I believe that my
23 business background, my strong organization, and
24 board skills, will complement my colleagues to
25 represent all of you, and between them, have

1 decades of experience in the world of soccer.

2 I have also heard from many that
3 arguably the single biggest challenge you all
4 face is growing the membership. The sport has
5 changed. Today's kids, and their parents, our
6 adult players, and even our elite professionals
7 are different, and we need to meet their needs.
8 As a Federation, at the end of the day, we are
9 only as strong as our constituent members. Our
10 survival is your survival, and I believe that we
11 in the Federation can and should be assisting you
12 better.

13 As you heard earlier, we have the
14 financial resources today to address many of your
15 critical issues, by working with you, to provide
16 resources and to come up with new programs to
17 help grow your membership. If elected, I will
18 work to set up a task force involving you and the
19 Federation to establish a concrete list of
20 programs to address this particular issue.

21 This support has to go beyond writing
22 a check. We need to create opportunities and
23 programs for one plus one equals three.

24 I said it earlier, and I will say it
25 again. This is your Federation, and we must

1 ensure the success of its active members who love
2 and support this game. We can do this by working
3 together to create new programs that build on our
4 existing programs, such as, they are not
5 incremental, but do our part on our existing
6 programs.

7 Finally, other than my professional
8 background, a major point of distinction for me
9 is that I'm a free and independent candidate,
10 beholdng to no one. I have never worked for nor
11 been paid by any entity related to U.S. Soccer.
12 I do not come from a member organization with a
13 specific point of view, or a hidden agenda.

14 My involvement with U.S. Soccer
15 started as an independent director in 2007. I
16 may well be an insider today, but I think like an
17 outsider. This confers on me, I think, unique
18 credibility, with my colleagues on the Board to
19 help drive this change. And it's so ironic,
20 because I think we need a commitment to change,
21 to improve, and to grow the entire Federation.

22 As an independent director, I can
23 only do so much. If I have the honor and
24 privilege of representing all of you, as your
25 Vice President, I would be empowered to help

1 effect that change, the change that we need to
2 sustain the growth in the years ahead.

3 On that note, I humbly ask for your
4 vote this morning, and I look forward to working
5 closely with you over the next four years. Thank
6 you.

7 (Applause.)

8 PRESIDENT GULATI: Thanks, Carlos.
9 Kevin Payne.

10 You can talk while he's coming up.

11 MR. PAYNE: Thank you-all. It's a
12 pleasure to be here this morning. This is my
13 28th, I think, AGM. I see an awful lot of
14 friends around the room, and a lot of people that
15 I don't know as well, but hope to get to know
16 better in the years to come.

17 I have been in this game for 50
18 years. First as a player, then, initially in
19 high school, and college, then as a registered
20 player from the Adult Division in Eastern New
21 York, and in Colorado.

22 I have been involved with the
23 Federation, as Richard had said, for close to 30
24 years now. I have a deep passion for this
25 organization, and it has been my great, great

1 pleasure to be involved all of these years.

2 We are at a time, we find ourselves,
3 at a time of great opportunity. The game has
4 gained so much in such a short period of time.
5 Our resources, the level of relevance of our
6 sport in our culture is at an all time high, but
7 we also face great challenges. Sunil talked
8 about some of the challenges, some of the global
9 challenges, but we face challenges every single
10 day in the way that we try to impact our sport.

11 I share those challenges with you. I
12 say "we," because I deal with those the same as
13 you do, and I'm very proud of that. I'm proud of
14 the fact that I'm a member of U.S. Soccer.

15 I'm very proud of the fact that in
16 recent weeks, I have worked hard with John Sutter
17 of USYSA,
18 and also with AYSO, and SAY, and U.S. Futsal, and
19 USSSA, and MLS, to create the new ad hoc body
20 called the Youth Council Technical Working Group.
21 And for the first time, probably ever, all the
22 youth members are sitting at a single table and
23 talking about the issues that they are facing
24 that are common to them, and talking with the
25 Federation about how we can best meet those

1 issues.

2 I think this kind of collaboration is
3 way forward for us as an organization, and it's
4 how to achieve and fulfill the expectations that
5 we all have for soccer in our country.

6 One of the challenges, I believe,
7 facing, particularly the youth, but really
8 throughout our organization, is growth. Mike
9 referred to it. The simplest way, in my view, to
10 begin to address this, is to take note of, and
11 begin to try to impact the fact that of every
12 player, three out of every four players who
13 begins playing soccer, quits the game before
14 they're 13 years old. This is an issue that
15 should be a loud alarm bell to all of us.

16 We are actually among the
17 worst-organized sports in the country for player
18 retention, and that's something that needs to be
19 addressed in the Federation involving all of our
20 members, and it should be a mission for all of
21 us.

22 One of the roles, I think, the
23 Federation can really play, is not just
24 financial, but as a leader in developing greater
25 cooperation between all of the members.

1 The task of ensuring that we keep
2 players involved in our game for a lifetime
3 should fall not just on the youth members, not
4 just on the adult members, but equally, on the
5 athlete council, the professional council. We
6 should all be finding a solution to this
7 together, because it concerns all of us equally.

8 I believe the Federation needs a
9 grand vision. It needs to develop a plan, a
10 strategic plan, to put that vision into effect.
11 I think that's one of the roles, in my view, of
12 the Board of Directors, is to lead that process.
13 Last summer we saw what 23 young women could
14 accomplish when they came together behind a
15 common goal. Imagine what the four million plus
16 of us could do if we are all aiming at the same
17 point in the distance. This is something that to
18 me will be a major priority.

19 I owe a tremendous debt to this
20 sport. It has brought me a great deal, and I
21 don't regret a single moment that I have spent in
22 the sport of soccer. For me, it would be a
23 tremendous honor and privilege to serve you as
24 the Vice President. I hope that you will give me
25 your vote, and I look forward to working with

1 you-all in the future.

2 Thank you very much.

3 (Applause.)

4 PRESIDENT GULATI: Thank you, all
5 three of you.

6 I think this is pretty
7 straightforward. I could probably do it without
8 having Mr. Kepner show me how.

9 If we could put up on the board those
10 three candidates, presumably, a number next to
11 their name. I'm doing this slowly just to make
12 sure the message is getting through. Excellent,
13 well done.

14 When I tell you the ballots are open,
15 you can hit the 1, 2, or, 3 for the candidate of
16 your choice. Now, before we do that, contrary to
17 the rules yesterday at the FIFA meeting where at
18 the second ballot, the low person has to drop
19 out, we didn't get to that stage. In our rules
20 no one has to drop out. If we don't have a
21 winner at 51 percent, 50.1 percent, we would
22 continue. It also will not take two hours per
23 round is a plus. So if we have somebody above
24 50, we have a winner. If there's no one that
25 reaches 50, we will queue up the data and go

1 again, unless one of the candidates voluntarily
2 wants to withdraw from the process.

3 Okay. So, let us set this thing up,
4 and tell us -- where is -- you tell me when you
5 are ready to start the clock. Somebody give me a
6 thumbs up.

7 MR. KEPNER: We are ready now. The
8 one thing I will say is that at one point, I will
9 say "vote now," and then I'll count down, and you
10 have to get your vote in by the time --

11 PRESIDENT GULATI: I thought I got to
12 say "vote now."

13 MR. KEPNER: You can go ahead and say
14 "vote now."

15 PRESIDENT GULATI: No, you can say
16 it, Robert. I'm just kidding.

17 MR. KEPNER: Go ahead. We're ready
18 to start.

19 PRESIDENT GULATI: Okay. Vote now.

20 MR. GARBER: Mr. President, are we
21 supposed to hit send?

22 PRESIDENT GULATI: Yes, Bob, you are
23 supposed to hit the number and the send, yes?

24 UNIDENTIFIED SPEAKER: No.

25 PRESIDENT GULATI: Don't put up

1 anything on the screen. We've got questions from
2 here.

3 MR. KEPNER: Just hit the number.

4 PRESIDENT GULATI: Just the number.

5 Okay, we're going to run that again. Everyone in
6 the room got it except the front row of the
7 board. Just kidding. The front row left. All
8 right. Everyone got it except Commissioner
9 Garber.

10 We're going to do it again.

11 Robert, is confirmation of receipt --
12 do you need to see the word "received" down here?

13 UNIDENTIFIED SPEAKER: Yes.

14 MR. KEPNER: We stand corrected. You
15 do have to press --

16 PRESIDENT GULATI: Thank you. You
17 were the only one in the room that was right.

18 MR. GARBER: Thank you.

19 PRESIDENT GULATI: All of you should
20 apologize to Don Garber right now. Okay. We're
21 going to try that again. This is why FIFA does a
22 three-hour paper ballot.

23 MR. GARBER: That's why my name is on
24 the ball there big guy.

25 PRESIDENT GULATI: Commissioner...

1 MR. GARBER: Just saying...

2 PRESIDENT GULATI: Just saying.

3 Okay.

4 All right. We're going to do that
5 again. After you push a Number 1, 2, or 3, you
6 must hit send and then you are going to see the
7 word "received" in the little screen. All right?

8 MR. KEPNER: Vote now.

9 PRESIDENT GULATI: Vote now. All
10 right. Stop again.

11 UNIDENTIFIED SPEAKER: How do we
12 clear?

13 PRESIDENT GULATI: We have to clear
14 -- hit clear, all right -- Kepner?

15 (Multiple simultaneous discussions.)

16 PRESIDENT GULATI: We are going to
17 have more litigation, I can tell.

18 Okay. Robert.

19 MR. KEPNER: These are new keypads,
20 and there is where the confusion came.

21 If you want to change your vote now,
22 at any point, you can. So, go ahead and vote
23 now.

24 PRESIDENT GULATI: So right now, is
25 everything clear on the system?

1 MR. KEPNER: No.

2 PRESIDENT GULATI: So let's clear the
3 system and start it from scratch.

4 MR. KEPNER: Everything is clear.
5 Now, vote.

6 (Votes being cast.)

7 MR. KEPNER: Five, four, three, two,
8 one.

9 PRESIDENT GULATI: This is dangerous.
10 I asked if I could be like the judge, and I get
11 to see the outcome before the jury gets it, but
12 no, we're just going to find out at the same
13 time.

14 MR. KEPNER: We will show the result
15 now.

16 PRESIDENT GULATI: Mr. Cordeiro, the
17 new Vice President of the United States Soccer
18 Federation.

19 (Applause.)

20 MR. CORDEIRO: I don't really have
21 anything to say. I'm really humbled by the
22 support you expressed this morning. I really
23 look forward to working with all of you over the
24 next four years. I would just echo what Mike and
25 Kevin had said that we were friends. We are

1 friends. We will stay friends. We have a lot of
2 work to do together. Thank you very much. And
3 I'm particularly overwhelmed. Thank you.

4 (Applause.)

5 PRESIDENT GULATI: So either the new
6 Vice President or one of the candidates stole my
7 agenda piece of paper while they were giving
8 their speeches, and, as always, the General
9 Secretary comes through.

10 Okay. We have -- congratulations to
11 Mr. Cordeiro. I had three good friends that were
12 running in this, so, just a minute beyond that.
13 Mike has been an extraordinary Vice President,
14 and an extraordinary leader of the adult division
15 and extraordinary for the game in every way. We
16 talked over the weekend, because I wanted to get
17 his views on the FIFA election, and he went out
18 of his way to say what he said to all of you,
19 that he will be here tomorrow regardless of which
20 way this goes, and he will be in the game for a
21 long, long time. So, Mike, thank you for your
22 service, and I know you will be around for a
23 very, very long time.

24 (Applause.)

25 PRESIDENT GULATI: And Kevin, who has

1 been a very, very, close friend for many, many,
2 years, a lot of battles, and a lot of wins, and
3 some losses along the way, our families know each
4 other very well, he's been a big supporter and a
5 close friend. I don't need to ask him whether
6 he's going to be around in the game. He's got,
7 as he already said, 50 years in it, and he'll be
8 around tomorrow, and the next day, whether it's
9 running the most successful professional team in
10 the history of our country, or running a major
11 youth organization, or just watching a game
12 somewhere with me. Kevin, I know we'll always be
13 close and that you will be in the game. Thank
14 you.

15 (Applause.)

16 PRESIDENT GULATI: Carlos, welcome.
17 Welcome to your new position. If I ever see you
18 try to order mushrooms...

19 Okay. We have another election. We
20 have an election for our independent directors.
21 This one, I think, will be easier.

22 We have one nominee from the board to
23 continue in her role as independent director, Dr.
24 Donna Shalala. Donna is here. If she would like
25 to say a few words she can, but she's going to

1 take advantage of the opportunity not to say a
2 few words. So with that, I will open up the
3 ability of all of you to confirm Dr. Shalala as
4 an independent director.

5 By unanimity, Donna, thank you.

6 Welcome back.

7 (Applause.)

8 PRESIDENT GULATI: And that is all we
9 have on our agenda. I'm sorry, no -- a couple
10 other things, 2017 AGM. And yes, you won on this
11 one. We will be in Hawaii next year.

12 (Applause.)

13 PRESIDENT GULATI: Those are the
14 dates for next year, March 2 to 5, in Hawaii.
15 Make a note of that. And with that, we'll go to
16 another video. This one is our affiliated video
17 that we always try to end with. Go to the video
18 tape.

19 (Video shown.)

20 (Applause.)

21 PRESIDENT GULATI: We are on to the
22 Good of the Game. And I'm going to take the
23 opportunity, being the chair, to both start, and
24 potentially go and make one other comment later
25 on. And the comment that I want to start with is

1 we've got a couple of board member changes. One
2 I have already talked about is Mike and his
3 contributions to the game, but we have another
4 board member who will be leaving us after today's
5 meeting. And after I comment, we will have John
6 Sutter do the same, and introduce you to the new
7 board member that will be joining us at this
8 meeting.

9 Evelyn Gill has been with USYSA and
10 an important part of the America soccer scene for
11 many, many years, in so many different ways, not
12 only on women's programs and women's committees,
13 but in many, many, different ways.

14 She's really been a terrific board
15 member, and when we talk about all these issues,
16 like gender equity and so on, it will be a good
17 day when we've got someone standing at this
18 position or the one that Carlos occupies, and it
19 is a woman. And I hope that's sooner rather than
20 later. But it's not just because she's a woman.
21 She's been terrific for us in the sport in the
22 United States. Evelyn, I can't say enough about
23 what you have done and how we've all appreciated
24 it. Thank you.

25 MS. GILL: Thank you.

1 (Applause.)

2 PRESIDENT GULATI: John. Please.

3 MR. SUTTER: Thank you. I wanted to
4 echo what Sunil said. At the Youth Council
5 yesterday, we elected a new member to the U.S.
6 Board of Directors, Tim Turney, and Tim is
7 replacing Evelyn Gill on the Federation Board of
8 Directors from the Youth Council, and he has
9 extremely large shoes to fill.

10 As Sunil indicated, Evelyn has been
11 involved in our game for more than 30 years. I
12 have served side by side with her for the past
13 six, and she has been an incredible force to U.S.
14 Youth Soccer in the Youth Council, and an
15 extremely valuable member to this Board of
16 Directors, and through all of those many, many,
17 years of soccer, as Sunil said, she's worked
18 tirelessly to further girls' and women's soccer
19 -- well, lately, it's time here -- she's worked
20 tirelessly for our Girls and Women's soccer, and
21 I know that she's going to remain working in the
22 game, but I wanted to acknowledge and thank her
23 for all that she's done, and personally, say,
24 Evelyn, it's been my honor. And thank you for
25 everything.

1 MS. GILL: Thank you.

2 (Applause.)

3 (Standing ovation.)

4 PRESIDENT GULATI: Tim, if you could
5 stand, just so everyone knows that you will be
6 joining the Board. Tim.

7 (Applause.)

8 PRESIDENT GULATI: Anyone else?
9 Please.

10 MR. DAVEY: I would like the
11 membership in this room to help celebrate a
12 milestone in soccer for the United States. The
13 Illinois Adult Soccer Association is celebrating
14 their 100dth anniversary in dedication to the
15 game that we love so much.

16 Illinois, thank you.

17 (Applause.)

18 PRESIDENT GULATI: Steve.

19 MR. FLAMHAFT: For the Good of the
20 Game, as well as for the reputation of United
21 States Soccer, I respectfully request that this
22 administration, through its BOD, censure Chuck
23 Blazer for bringing disgrace to U.S. Soccer by
24 his unethical, corrupt, and immoral conduct.

25 I do so, because U.S. Soccer has been

1 silent on this issue. As a life member, I care
2 deeply about U.S. Soccer's standing, as well as
3 its reputation. Our president has said that I am
4 one of the most devoted persons to the
5 organization that he knows. This request for
6 consideration of this censure was born and grew
7 out of that same dedication.

8 If this censure is not sustained or
9 approved by the NBOD who represents us, what is
10 the message we are sending to both the U.S.
11 Soccer community as well as the international
12 soccer community; that we don't care about the
13 conduct of those who represent us? I think we do
14 care.

15 When an American representative, no
16 matter who he is, acts in a dishonest, corrupt,
17 and illegal manner, I believe it reflects on all
18 of us. And I will not sit silently nor should
19 any of us. I think I speak for those in the
20 past, as well as in the present, who worked, and
21 do work, tirelessly with integrity and dignity to
22 protect our reputation and the credibility of
23 U.S. Soccer.

24 Chuck Blazer, an American, a former
25 official of U.S. Soccer, who gained his

1 international position through U.S. Soccer, is a
2 prominent name in the FIFA investigation. By his
3 conduct, no one in U.S. history has done as much
4 damage to these values as Chuck Blazer. Chuck
5 Blazer has dishonored our unblemished history. I
6 do not pretend to be the moral conscience of U.S.
7 Soccer, but sincerely believe we must take a
8 stand on unethical behavior when it impacts our
9 organization. We should take pride in our
10 accomplishments of the organization and be
11 vigilant of those who selfishly destroy it.

12 Churchill said that in situations such as this,
13 When you are in doubt, what to do; do nothing.

14 I believe, when you are in doubt as
15 to what to say, say what you really think. I
16 recognize that this request for censure is a
17 rarity, but then again, it is also true that we
18 have never, never been the victim of such
19 conduct.

20 The Assistant U.S. Attorney, for the
21 prosecution of the FIFA case, has stated it's
22 fair to say that soccer federations whose
23 officials have engaged in criminal conduct are
24 victims. Their constituents, including the youth
25 leagues, and the other members of those bodies

1 that rely on them for support, were harmed by the
2 corruption of their officials and their former
3 officials.

4 I do not shy away from saying that I
5 believe I am defending the honor of our leaders
6 past and present. I have been informed that I
7 will pay a price by going forward with this
8 request for censure.

9 It has been suggested that because
10 Chuck Blazer is from New York and that I am from
11 New York, I should be protective of him. I
12 reject that notion and that rationale. I believe
13 the censure request has merit, and what I have
14 stated should be stated. One should have the
15 courage of their convictions.

16 (Applause.)

17 PRESIDENT GULATI: Mr. Pinori. I'm
18 sorry, you were at the mic first, Lynn.

19 MS. BERLING-MANUEL: Hi, I'm Lynn
20 Berling-Manuel. I'm the CEO of the National
21 Soccer Coaches Association of America. And for
22 the Good of the Game, I would like to actually
23 extend a special thank you this afternoon, or
24 this morning, to my predecessor, my friend, and
25 my mentor, Joe Cummings, who led the NSCAA for

1 the last six years, and really, turned the
2 organization around in, oh, so many ways, sort of
3 leading up to our convention in Baltimore this
4 January, which was the largest convention ever
5 for the NSCAA, with over 6,000 coaches, and
6 12,000 guests. And I would just like to say a
7 very special thank you to Joe for being a
8 lifelong servant of the game at the professional
9 level, the national level, World Cup, Youth, and
10 so many other things that he's done.

11 And I also want to extend an
12 invitation to everyone that the NSCAA convention
13 is coming to Los Angeles in 2017, in January, and
14 we hope you all will attend. But again, really
15 this is for a moment just to thank Joe Cummings.

16 Thank you.

17 (Applause.)

18 PRESIDENT GULATI: To the middle, and
19 then to the right, and then back to the left.

20 Peter.

21 MR. PINORI: Hi, Sunil. Good
22 afternoon or good morning everyone. I wanted to
23 make a couple of points on what Steve said.
24 Number 1, Steve does not, in any way, represent
25 Eastern New York. That's Number 1. So when he

1 mentions that, he makes us all look bad by saying
2 what he said.

3 Number 2, Mr. Blazer paid a dear
4 price with his life. He has done -- yes, when
5 somebody does something wrong, it's correct they
6 should pay a price, but up to what point? He has
7 lost everything. The man is dying. He has put
8 CONCACAF on the map.

9 Before Chuck Blazer, we didn't
10 know -- most people didn't even understand what
11 CONCACAF was. He has helped this game
12 tremendously, not just in New York, but
13 nationally for U.S. Soccer, and, again, CONCACAF.
14 He came up with the Gold Cup. He came up with a
15 lot of ideas, and I understand he has done
16 something wrong, and I get it. We all don't want
17 somebody to do something wrong. But enough is
18 enough. This vendetta, and that's what it is,
19 that Steve has with Chuck Blazer is a personal
20 vendetta, and nothing to do with the game, and
21 I'm ashamed that it comes from New York.

22 PRESIDENT GULATI: Okay. We're going
23 to move on past. We are at Good of the Game,
24 folks. So, we don't need to have any fights
25 between people on the floor.

1 (Applause.)

2 MR. REGRUIT: Sunil, my name is
3 Curtis Regruit. I'm the President of New York
4 State West Youth Soccer, and I'm also a member of
5 the U.S. Youth Soccer Recreation Committee.

6 I was going to ask you this anyway.
7 You opened the door a little bit further earlier
8 when you mentioned that you might be open to
9 reinvesting some of the U.S. Soccer resources
10 back to the membership.

11 I wanted to make an appeal that you
12 make a commitment to investing annually \$1.5
13 million a year directly back to us for the
14 betterment of the recreational side of the game.
15 Recreational players represent two-thirds of the
16 base of our top triangle and two-thirds of our
17 paying membership.

18 These kids, ultimately, a small
19 component of them, may become national players,
20 but equally as important, these are the players
21 and the families that are the paying, paying
22 soccer participants, that will go to the MLS
23 games and support our national teams, buying
24 T-shirts as well.

25 We have taken it upon ourselves to

1 reinvest in this part of our game in the last few
2 years to the tune of about \$25,000 a year at our
3 local state association. It's a small investment
4 monetarily. We don't generate revenue from it,
5 but it's an even loss to continue to provide
6 coach education and resources to that sector of
7 the game, and it's very important to the
8 continued betterment of the game for all of us.

9 So, I would ask that you consider
10 that. We will be providing you a business case
11 later this year, but you don't need to wait for
12 that business case to make that commitment, but I
13 urge to you please consider to do so. Thank you.

14 (Applause.)

15 PRESIDENT GULATI: Howard, keep me
16 in-line, Howard.

17 MR. RUBENSTEIN: I know, I'm not
18 going to, Sunil, I'm not talking about it.

19 PRESIDENT GULATI: Okay.

20 MR. RUBENSTEIN: Howard Rubenstein,
21 Life Member. I'm the past president, one time,
22 when we were all Southern New York Youth Soccer
23 Association. The only reference to the past
24 gentleman was that he was my Vice President. In
25 those times, he was a good guy.

1 But I'm here, to America's own, to
2 say thank you to the delegation for helping me
3 since 1978, but I think it's time to say
4 good-bye. I've got to thank all the past
5 presidents, Gene Edwards, Werner Fricker, Alan
6 Rothenberg, Dr. Bob -- and what I used to call
7 the kid in short pants who ran around with Paul
8 Gardner -- Sunil, you grew up, and you have a
9 great family. You are making us proud.

10 I would like to thank the people who
11 were working for the Federation, who are always
12 cooperative, who never get a thank you from
13 anybody, and I'm going to mention a couple of
14 names, and I know I'm going to forget a lot, but
15 I especially want to thank Eleanor Petrie, when
16 we had problems with player registrations, when I
17 was with Eastern New York Adults. I want to
18 thank the referee group there, now, Adrian, and
19 Ryan Mooney, and Nicole. And I want to
20 especially thank Dan Flynn, for all the help, and
21 cooperation he's given us, and his secretaries of
22 the past, who, whenever I took the phone to call
23 the Federation, I was never given, Oh, we're
24 going to put you on hold. They would say, Dan
25 will get back to you. Thanks a lot, Dan.

1 And maybe, as a going-away present to
2 eat tonight, will you serve franks and beans?
3 Dan decided that the Federation was spending too
4 much money, and we had franks and beans at the
5 Hall of Fame dinner.

6 Thank you all. It's been a great
7 ride.

8 (Applause.)

9 PRESIDENT GULATI: There may be no
10 better indication of our progress than our Hall
11 of Fame dinner tonight.

12 Howard, we will not be having franks
13 and beans. That's the good news. Dan has
14 rescinded your invitation.

15 Yes.

16 MR. BOLLINGER: Jim Bollinger,
17 Eastern Pennsylvania Soccer Association, Adults.

18 I'm proud to second and support the
19 recommendation of Steve Flamhaft. I just want to
20 say that if someone's offense is egregious
21 enough, they deserve censure. And we should all
22 remember that it only takes for evil to succeed,
23 for good men and women to do nothing. Thank you.

24 (Applause.)

25 PRESIDENT GULATI: Next.

1 MR. WOLFF: My name is Eli Wolff,
2 from the Disability Committee.

3 I wanted to be able to highlight the
4 great work that's been done on gender equity both
5 in the United States and internationally. I
6 think that's a tremendous step for diversity, and
7 inclusion, and for U.S. Soccer to now really
8 highlight that aspect of diversity. And I think
9 for disability to be included in that, to
10 recognize the Paralympic team for Rio this
11 summer, a great honor and acknowledgement for
12 what's going to happen this summer.

13 But I think overall, the stigma of
14 diversity and inclusion, both internationally,
15 and here in the United States, is really
16 significant. And I think to embrace that as part
17 of the culture of soccer is really amazing. So
18 thank you.

19 (Applause.)

20 MR. PIAZZA: Good morning, I'm Pascal
21 Piazza, the president of Texas South, the Adults.

22 On behalf of Texas South, I want to
23 thank everybody for coming to San Antonio and
24 having a good time. I tell everybody
25 "Bienvenidos" to San Antonio, and have a good

1 day. And thanks everybody for having a great AGM
2 here in Texas.

3 (Applause.)

4 PRESIDENT GULATI: Thanks.

5 MR. LARABA: Sunil, Dave Laraba, West
6 Virginia -- West, by God, Virginia. As those of
7 you who know me know that I have never been shy
8 in expressing my opinion. So I was really happy
9 last week to get a call from a very nice young
10 woman of the Federation inviting me to
11 participate in small groups, and a discussion in
12 Chicago, to try to work on communications with
13 the Federation, and those of us that have to
14 actually put in place these brilliant ideas that
15 come out of Chicago.

16 She said she would send me an e-mail
17 with the details.

18 So I get the e-mail, and it's 10:00
19 to 4:00, you go in, you go out, whatever, and I'm
20 looking for the part about how we arrange for our
21 travel. It's not there.

22 So I'm not a Rhodes scholar, but I
23 figured out, I've got to pay to get there myself.
24 We're a small state. I'm not small, but my state
25 is small. And for those of you that are trying

1 to fly into Charleston, West Virginia, you know
2 that it's not a cheap ticket.

3 I didn't mind paying almost \$1,000 to
4 fly here for four days, very important, but we
5 can't do that, even though I want to tell the
6 Federation what I think, I can't do that. My
7 boss isn't going to let me. And so we could have
8 done this Thursday. I would have come in a day
9 early, paid for one night in the hotel extra and
10 met on Thursday. We could have met during this
11 afternoon. There's plenty of times. So I just
12 ask you guys, take a look, because if I'm not in
13 Chicago, it doesn't mean I don't want to give you
14 my opinion.

15 Thank you.

16 PRESIDENT GULATI: So, we'll solve
17 this one easier. It took us a while to get from
18 the franks and beans to the dinner tonight. This
19 one is considerably shorter. We're going to
20 reimburse people for their travel on those
21 visits, and all the ones in the future will be
22 covered for those working groups that come into
23 Chicago.

24 (Applause.)

25 PRESIDENT GULATI: And by the way, so

1 no one thinks that Sunil is just overruling Dan,
2 I'm not. Dan is the one who whispered, We're
3 going to do that.

4 MR. FLYNN: And John and John both
5 brought it up.

6 PRESIDENT GULATI: And John Motta and
7 John Sutter, on your behalf, brought that up.
8 And they said, Don't do it. We overruled them.

9 Were either one of you up for
10 elections, or no? Just kidding. They brought it
11 to us, we're covering it.

12 UNIDENTIFIED SPEAKER: Thank you.

13 PRESIDENT GULATI: Rocco.

14 MR. AMOROSO: Thank you. Rocco
15 Amoroso, Eastern New York Soccer.

16 First, let me congratulate,
17 Mr. Cordeiro, your election. I trust and hope
18 that you will honor the leadership, will continue
19 to promote the good things in life through the
20 good works of soccer.

21 Let us, this afternoon, this morning
22 rather, we heard so much, very bad vibes, let us
23 reflect thoughts on character building.

24 In this beautiful game of soccer, let
25 us reinforce ethics into the game, and let's make

1 it more beautiful. Nowhere to nowhere are the
2 ideals of brotherhood reinforced and the evils of
3 prejudice are destroyed than on the soccer fields
4 of America. We should be very proud of this.
5 Very proud of this.

6 Respect for one another is an
7 old-fashioned way. It's earned through deed and
8 action, and self-respect evolves in the same way.

9 I would like to remind the coaches
10 here, and all of us, really, advocate that the
11 object of any athlete contest is to win, however,
12 it must be achieved fairly and with integrity.

13 Teach the players to play hard, but
14 within the framework of the rules. The fact is
15 that in sports, the rule book is a game for life.
16 Teamwork, sportsmanship, fair play, are words
17 that originated in sports, but are now a part of
18 the vernacular, because of their descriptive
19 manner.

20 As coaches, be reminded you assume a
21 tremendous responsibility as you direct, as you
22 lead, as you show by your conduct in preparing
23 our youth for life, not merely a game. I am
24 positive that all of you will continue to wear
25 the mantle with dignity and integrity.

1 Thank you very much for listening.

2 God bless you.

3 (Applause.)

4 PRESIDENT GULATI: Thank you,

5 Mr. Amoroso.

6 Mr. Garber.

7 MR. GARBER: Yes, I just wanted to
8 reiterate some of the comments about the
9 Federation staff.

10 You know, this is an incredibly lean
11 organization that has multiple hats that they're
12 wearing both in terms of servicing the
13 membership, but assertorically working to manage
14 the national teams and grow the game
15 commercially. The fact that Jay and Dan and the
16 organization have taken on the COPA America
17 tournament for seven months is really a
18 monumental herculean feat.

19 It's a tournament that I think will
20 make all of us proud, and the fact that they
21 really haven't added any staff to do so, I think,
22 is just a credit to how hard they work. It's
23 similar to what they did with the 2003 World Cup
24 in trying to manage these tournaments without
25 putting additional burden on all of us in terms

1 of increased costs. So I want to really
2 congratulate them for the work they have done in
3 the past and really thank them for what they've
4 done.

5 And then on behalf of the
6 professionals, this is the start of all of our
7 seasons. There was a time when we really
8 couldn't look to the membership to support the
9 game professionally, because a lot of the things
10 that were going on politically within U.S.
11 Soccer. I, every year, say, sort of, ending the
12 Good of the Game, that I want to thank, on behalf
13 of all of us, everything that you do to help grow
14 the game beyond just participation, and
15 recognizing the importance of building a fan
16 culture in our country, and to get that fan
17 culture behind the American game.

18 Doing so will allow us to develop
19 more players. It will allow us to be involved in
20 building more infrastructure, and then ultimately
21 giving back more to the game. So our season
22 starts this weekend. The NASL starts in early
23 April. The USL starts at the end of March, and
24 the NWSL starts in the month of March as well.
25 So go out to a game. Get your members to go out

1 to a game, and be a fan. And thanks a lot for
2 your support.

3 (Applause.)

4 PRESIDENT GULATI: Evelyn?

5 MS. GILL: I would like to take a
6 moment to thank my colleagues on the Board for
7 their friendship, for the help and discussion,
8 and for making me feel so welcome as I served
9 with you. I would especially like to thank Linda
10 for all of her work on the part of the staff.
11 She's just great. To the Youth Council for
12 electing me, and I want to wish Tim well.

13 (Applause.)

14 PRESIDENT GULATI: Mr. Cordeiro.

15 MR. CORDEIRO: Yes. Sunil was way
16 too humble not to mention this earlier, but as
17 from yesterday, he was elected the FIFA Vice
18 President. This is the, I think, the first time
19 ever in U.S. history that we will have an
20 American serving in that role, and obviously a
21 reflection, Sunil, of all the work that you put
22 into the reform process and how well your
23 colleagues at FIFA think of you.

24 PRESIDENT GULATI: Thanks.

25 (Applause.)

1 (Standing ovation.)

2 PRESIDENT GULATI: Thank you. Thanks
3 very much. Anyone else on the Board?

4 With that? With that, we will give
5 the next-to-the-last word to the Vice
6 President --

7 MR. EDWARDS: -- the Treasurer of
8 Albuquerque Soccer League.

9 PRESIDENT GULATI: -- the Treasurer
10 of Albuquerque Soccer League.

11 MR. EDWARDS: One thing about what I
12 said, okay, you had a pretty good choice, and if
13 you came to the Youth Council meeting yesterday,
14 we kind of all said the same thing. We're all in
15 favor of the same thing, so, life goes on.

16 The work that Kevin has done in
17 rising above allegiances to try to form a youth
18 confederation to bring everybody to the same
19 table, to make people make eye contact, I think
20 is just invaluable, and I commend him for doing
21 that.

22 The work that Carlos has done on
23 pushing us to form a better, more responsive,
24 more communicative board, I commend him for that.
25 You know what, you weren't going to go wrong no

1 matter what you did.

2 And so, I have been up here awhile.

3 I look at the audience, and there's guys like
4 Kevin, and guys like Richard have been up here,
5 go back down there. I don't know why Richard
6 wears a tie to a meeting, you don't have to, you
7 can stop that now, because I'm going to. But I
8 told Sunil before, a couple of months ago, when
9 we talked, that this is what I do, and probably
10 the greatest compliment I ever got was when I was
11 the National Cup chairman in 1994, and we had the
12 Cup Finals with the United German Bulgarian Club,
13 in portion, and Werner Junior and I were out, we
14 were out cleaning up the field between the games.
15 And for me, this was natural. I didn't think
16 anything about it until I came back in. Werner
17 pulled me aside, and he always called me Michael,
18 and he said -- he made me feel I was talking to
19 my mom -- and he said, Michael, I never thought I
20 would live long enough to see the National Cups
21 Chairman actually work. And I always considered
22 that kind of the greatest compliment I ever got.

23 I appreciate the support from
24 everybody. I'm not going anywhere. Sunil has
25 got a list of stuff, I still need to do. There's

1 a cup committee meeting at noon, and all of you
2 still need to be there. We're still having the
3 meeting, and there's free lunch for the cup
4 committee members. Don't be getting any bright
5 ideas. The rest of you can go out on the
6 Riverwalk, but if you are interested in the Open
7 Cup, come in and sit in and listen to what we're
8 talking about. We've got a couple of issues to
9 deal with, and I'll add a couple of things. I
10 love the staff of U.S. Soccer. Thanks.

11 (Applause.)

12 PRESIDENT GULATI: So, in closing, a
13 few final comments. As I look around the room,
14 we do a lot better on gender participation even
15 in this room than the room I was in yesterday.
16 Still not good enough, but a lot better than the
17 room I was in yesterday.

18 On the other hand, in terms of some
19 other forms of diversity, we do a lot worse. As
20 I look around the room, and we need to do better
21 on that. This room, on issues of ethnicity and
22 race, certainly isn't reflective of the United
23 States. The room yesterday by force has to be,
24 because you have people from 270 countries, and
25 the likelihood that you are going to have all

1 African-Americans or all Africans, and so on, we
2 need to do better than that.

3 But we made a lot of progress. It's
4 a phenomenal day yesterday that when one
5 Australian woman, essentially forced FIFA to add
6 six voting female members to the organization at
7 the highest level, which she did in a long
8 process, a former national team player -- that's
9 pretty incredible. And for those things to
10 happen over the last couple of days were pretty
11 incredible, and the fact that we have
12 approximately \$100 million in the bank is pretty
13 incredible.

14 But we still have lots of things to
15 do. One of them is, and that's personal for me,
16 and collectively for the Board, we need to listen
17 more to all of you, to other people around the
18 country that have lots of views on these things.

19 We even made sure that some of the
20 people in Zurich, and Miami, CONCACAF, and FIFA,
21 listen to us more, and we speak a lot more often.
22 Feel free to do that. We have pretty thick skins
23 most of the time. So we'll listen more. We'll
24 communicate better.

25 I'm not going to say we're going to

1 work harder again, only because there's a lot of
2 time that goes into this, but we'll try to work
3 harder, and we'll take this game forward.

4 A couple of three days ago, at one of
5 these FIFA exhibits, they opened a museum in
6 Zurich, and there's some terrific exhibits. You
7 go down, and you can push a button, and they've
8 got a series of their qualifying best games. You
9 can push a button, and you can watch the
10 USA/Portugal game. So John, I got to see that
11 goal again. Jeff, I got to see that goal again.
12 They were both terrific goals.

13 Jeff, you could not place it better.
14 John, you got us well on the way -- not everyone
15 in the room understands this one, Jeff, but it
16 was a well-taken goal. And usually there's the
17 highlights of the World Championships, and I was
18 moved by it. I took three pictures of Mary
19 Harvey, and Abby, and Hope Solo, and texted them
20 all to them.

21 The history of the game is
22 extraordinary. The history of the American game
23 is extraordinary. The history of this country is
24 extraordinary. And to think that two guys that
25 were born -- two guys that by Donald Trump's

1 definition, or any definition, couldn't run for
2 President of the United States, are now president
3 and Vice President, pretty extraordinary.

4 So continue your efforts. We're
5 going to make this game even bigger. This summer
6 will be a fantastic event, I assure you of that.

7 I would love to see you at those
8 games or any other games, whether it's a U-6 coed
9 game, or it's just, the main goal is to get
10 through the grass, as it were, or watching the
11 national team play in Rio, or the Olympic team
12 play, or any of the games in the venues.

13 Thank you for all you do. Enjoy the
14 day, and we'll have a great future. Thank you.

15 (Applause.)

16 MR. KEPNER: Sunil, this is Bob.

17 If everybody could just leave their
18 keypads exactly where they are. Members of the
19 committee and staff will pick them up. Thank
20 you.

21 PRESIDENT GULATI: On that note, I
22 should mention, that instruction was not given
23 yesterday at the meeting. Arthur Mattson brought
24 home the keypad.

25 Meeting adjourned.

(Adjourned at 10:04 a.m.)

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REPORTER'S CERTIFICATE

1
2
3 I, DEBRA K. RESLING, RMR, and Certified
4 Realtime Reporter appointed to take the meetings of
5 the U.S. Soccer Federation, do certify that the
6 within proceedings of the National Council meeting
7 were taken by me stenographically in San Antonio,
8 Texas, on February 27, 2016 then reduced to
9 typewritten form consisting of 101 pages herein; that
10 the foregoing is a true transcript of the proceedings
11 had.

12
13
14 In witness hereof I have hereunto set my hand
15 this 19th day of March, 2016.

16
17 _____
18 Debra K. Resling, CSR, CRR, RMR
19 Registered Merit Reporter
and Notary Public.
4 Cheyenne Blvd.,
Colorado Springs, CO 80905

20 My commission expires February 28, 2017
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