

- 36 -b. During a jump ball, a try for a goal, or a situation in which a player taps the ball away from a congested area, as during rebounding, in an attempt to get the ball out where player control may be secured, the ball is not in control of either team. Hence, the restriction on first touching does not apply .

PENAL TY : Loss of ball. The ball is awarded to the opposing team at the midcourt line.

Section X—Swinging of Elbows

A player shall not be allowed excessive and/or vigorous swinging of the elbows in swinging motion (no contact) when a defensive player is nearby and the offensive player has the ball.

PENAL TY : Loss of ball. The ball is awarded to the opposing team on the sideline, nearest the spot of the violation but no nearer the baseline than the foul line extended.

Section XI—Entering Basket From Below

A player shall not be the last to touch a ball which rises above the rim level within the cylinder from below .

PENALTY: Loss of ball. The ball is awarded to the opposing team on the sideline at the free throw line extended.

Section XII—Illegal Assist in Scoring

a. A player may not assist himself in an attempt to score by using any part of the rim, net, backboard or basket support to lift, hold or raise himself.

b. A player may not assist a teammate to gain height while attempting to score.

PENALTY: Loss of ball. The ball is awarded to the opposing team on the sideline at the free throw line extended.

Section XIII—Traveling

a. A player who receives the ball while standing still may pivot, using either foot as the pivot foot.

b. A player gathers the ball while progressing may take (1) two steps in coming to a stop, passing or shooting the ball, or (2) if he has not yet dribbled, one step prior to releasing the ball. A player who gathers the ball while dribbling may take two steps in coming to a stop, passing, or shooting the ball.

The first step occurs when a foot, or both feet, touch the floor after the player gathers the ball.

The second step occurs after the first step when the other foot touches the floor, or both feet touch the floor simultaneously.

A player who comes to a stop on step one when both feet are on the floor or touch the floor simultaneously may pivot using either foot as his pivot. If he jumps with both feet he must release the ball before either foot touches the floor.

A player who lands with one foot first may only pivot using that foot.

A progressing player who jumps off one foot on the first step may land with both feet simultaneously for the second step. In this situation, the player may not pivot with either foot and if one or both feet leave the floor the ball must be released before either returns to the floor.

c. In starting a dribble after (1) receiving the ball while standing still, or (2) coming to a legal stop, the ball must be out of the player's hand before the pivot foot is raised off the floor.

d. If a player, with the ball in his possession, raises his pivot foot off the floor, he must pass or shoot before his pivot foot returns to the floor. If he drops the ball while in the air, he may not be the first to touch the ball.

- 37 -e. A player who falls to the floor while holding the ball, or while coming to a stop, may not gain an advantage by sliding.

f. A player who attempts a field goal may not be the first to touch the ball if it fails to touch the backboard, basket ring or another player.

g. A player may not be the first to touch his own pass unless the ball touches his backboard, basket ring or another player.

h. Upon ending his dribble or gaining control of the ball, a player may not touch the floor consecutively with the same foot (hop).

PENALTY: Loss of ball. The ball is awarded to the opposing team on the sideline, nearest spot of the violation but no nearer the baseline than the foul line extended.

Section XIV—Offensive Screen Set Out-of-Bounds

An offensive player shall not leave the playing area of the floor on the endline in the frontcourt for the purpose of setting a screen.

PENALTY : Loss of ball. The ball is awarded to the opposing team on the sideline at the point of interruption but no nearer to the baseline than the foul line extended.

Section XV—Offensive Player Out-of-Bounds

An offensive player shall not leave the playing area of the court without returning immediately and cannot repeatedly leave and re-enter the court.

EXCEPTION: (1) injury , (2) inbounding the ball on a throw-in and (3) any other unusual circumstance.

PENALTY : Loss of ball. The ball is awarded to the opposing team on the sideline at the point of interruption but no nearer to the baseline than the foul line extended.

Section XVI—Five-Second Back-to-the-Basket Violation

An offensive player in his frontcourt below the free throw line extended shall not be permitted to dribble with his back or side to the basket for more than five seconds. The count ends when (1) the player picks up the ball, (2) dribbles above the free throw line extended or (3) a defensive player deflects the ball away .

PENALTY : Loss of ball. The ball is awarded to the opposing team out-of-bounds on the nearest sideline at the free throw line extended.

RULE NO. 11—BASKET INTERFERENCE—GOAL TENDING

Section I—A Player Shall Not:

a. Touch the ball or the basket ring when the ball is sitting or rolling on the ring and using the basket ring as its lower base or hang on the rim while the ball is passing through.

EXCEPTION: If a player near his own basket has his hand legally in contact with the ball, it is not a violation if his contact with the ball continues after the ball enters the cylinder, or if, in such action, he touches the basket.

b. Touch any ball from within the playing area when it is above the basket ring and within the imaginary cylinder.

c. During a field goal attempt, touch a ball, which has a chance to score, after it has touched any part of the backboard above ring level, whether the ball is considered on its upward or downward flight.

d. During a field goal attempt, touch a ball, which has a chance to score, after it has touched the backboard below the ring level and while the ball is on its upward flight.

- 38 -e. Trap the ball against the face of the backboard after it has been released. (To be a trapped ball, three elements must exist simultaneously . The hand, the ball and the backboard must all occur at the same time. A batted ball against the backboard is not a trapped ball.)
- f. Touch any ball from within the playing area that is on its downward flight with an opportunity to score. This is considered to be a “field goal attempt” or trying for a goal.
- g. Touch the ball at any time with a hand which is through the basket ring.
- h. Vibrate the rim, net or backboard so as to cause the ball to make an unnatural bounce, or bend or move the rim to an off-center position when the ball is touching the ring or passing through.
- i. Touch the rim, net or ball while the ball is in the net, preventing it from clearing the basket.

PENALTY : If the violation is at the opponent’s basket, the offended team is awarded two points, if the attempt is from the two point zone and three points if it is from the three point zone. The crediting of the score and subsequent procedure is the same as if the awarded score has resulted from the ball having gone through the basket, except that the official shall hand the ball to a player of the team entitled to the throw-in. If the violation is at a team’s own basket, no points can be scored and the ball is awarded to the offended team at the free throw line extended on either sideline. If there is a violation by both teams, no points can be scored, play shall be resumed by a jump ball between any two opponents in the game at the center circle.

RULE NO. 12—FOULS AND PENAL TIES

A. Technical Foul

Section I—Excessive Timeouts

- a. Requests for a timeout in excess of the authorized number shall be granted and a technical foul shall be assessed. Following the timeout and free throw attempt, the ball will be awarded to the team which shot the free throw and play shall resume with a throw-in nearest the spot where play was interrupted.
- b. If the excessive timeout is granted prior to free throw attempt(s), there will be no line-up for the remaining free throws and play shall resume with a throw-in at the point of interruption by the team which shot the technical foul.
- c. If the excessive timeout is granted prior to a jump ball, the ball shall be awarded to the team shooting the technical foul at the point of interruption.

Section II—Delay-of-Game

- a. A delay-of-game shall be called for:
 - (1) Preventing the ball from being promptly put into play .
 - (2) Interfering with the ball after a successful field goal or free throw .
 - (3) Failing to immediately pass the ball to the nearest official when a personal foul or violation is assessed.
 - (4) Touching the ball before the throw-in has been released.
 - (5) A defender crossing the boundary line within the designated throw-in spot prior to the ball being released on a throw-in.
 - (6) A team preventing play from commencing at any time.
 - (7) Any player, coach or trainer interfering with a ball which has crossed the boundary line (Rule 8—Section II-e).

- 39 -(8) A free throw shooter venturing fully beyond the three-point line between attempts.
(9) A player entering the game when beckoned by an official with his shirt untucked.
PENALTY: The first offense is a warning. A technical foul shall be assessed with each successive offense and charged to the team. An announcement will be made by the public address announcer. The shot clock shall remain the same or reset to 14, whichever is greater, if the violation is assessed against the defensive team. The offensive team shall be awarded a new 8 seconds to advance the ball if it is in the backcourt. There is no change in timing status if any of these violations are assessed against the offensive team. If repeated acts become a travesty, the head coach shall be notified that he is being held responsible.
EXCEPTION (5): In the last two minutes of the fourth period and last two minutes of any overtime period, a technical foul will be assessed if the defender crosses or breaks the plane of the boundary line within the designated throw-in spot when an offensive player is in a position to inbound and prior to the ball being released on a throw-in.

Section III—Number of Players

a. If the ball is put into play and remains in play with one team having six or more players on the court, a non-unsportsmanlike technical foul will be assessed on the team with too many players and such team would lose possession if it had possession at the time the violation was discovered. Immediately following the free throw awarded for the technical foul, the team with the correct number of players will instruct the Crew Chief to:
(1) resume play from the point in time when the technical foul was assessed, under the same conditions as would have prevailed had there been no error with a throw-in, jump ball or foul shot, as appropriate. If the ball is to be put into play with a throw-in, the team who shot the free throw will be awarded possession unless that team just scored and the error was discovered prior to the throw-in being released by the team with six or more players.
(2) nullify all play that occurred from the point in time when the ball was put into play with one team having six or more players on the court and ending when the technical foul was assessed, reset the game and shot clock to the point in time when the ball was put into play, and if the ball was put into play by:
(a) a throw-in, the ball shall be returned to the original throw-in spot with the ball awarded to the team with the correct number of players, or
(b) a missed free throw that remained in play, a jump ball shall be held at center court between any two players in the game, or
(c) a jump ball, the ball shall be returned to the original jump ball spot and a jump ball held with the same two players.
EXCEPTION: Acts of unsportsmanlike conduct and all flagrant fouls, and points scored from any resulting free throws, shall not be nullified.
b. Other errors involving the wrong number of players at the start of play, four or less, will be penalized with a non-unsportsmanlike technical foul and play shall resume from the point-of-interruption.
EXCEPTION to a and b: If the violation occurs on (1) a free throw attempt which is to be followed by another free throw attempt, or (2) a free throw attempt that is not going to remain in play, (3) throw-in before the ball is released, (4) prior to a personal foul being assessed, or (5) jump ball before the ball is released.

Section IV—Basket Ring, Backboard or Support

a. An offensive player who deliberately hangs on his basket ring, net, backboard or support during the game shall be assessed a non-unsportsmanlike technical foul.
b. A defensive player who deliberately gains or maintains height or hangs on his opponent's basket ring, net, backboard or support shall be assessed a non-unsportsmanlike

- 40 -technical foul. If he touches the ball during a field goal attempt, points shall be awarded consistent with the type of shot.

EXCEPTION: An offensive or defensive player may hang on the basket ring, backboard or support to prevent an injury to himself or another player, with no technical foul assessed.

c. Should a defensive player deliberately hang on the basket ring, net, backboard or support to successfully touch a ball which is in possession of an opponent, a non-unsportsmanlike technical foul shall be assessed.

Section V—Conduct

a. An official may assess a technical foul, without prior warning, at any time. A technical foul(s) may be assessed to any player on the court or anyone seated on the bench for conduct which, in the opinion of an official, is detrimental to the game. The technical foul must be charged to an individual. A technical foul cannot be assessed for physical contact when the ball is alive.

EXCEPTION: Fighting fouls and/or taunting with physical contact.

b. A maximum of two technical fouls for unsportsmanlike acts may be assessed any player, coach, trainer, or other team bench person. Any of these offenders may be ejected for committing only one unsportsmanlike act, and they must be ejected for committing two unsportsmanlike acts.

c. A technical foul called for (1) delay of game, (2) coaches box violations, (3) defensive 3-seconds, (4) having a team total of less or more than five players when the ball becomes alive, (5) a player hanging on the basket ring or backboard, (6) participation in the game when not on team's active list, or (7) shattering the backboard or making the rim unplayable during the game (Comments On the Rules—G) is not considered an act of unsportsmanlike conduct.

d. A technical foul shall be assessed for unsportsmanlike tactics such as:

- (1) Disrespectfully addressing an official
- (2) Physically contacting an official
- (3) Overt actions indicating resentment to a call or no-call
- (4) Use of profanity
- (5) A coach entering onto the court without permission of an official
- (6) A deliberately-thrown elbow or any unnatural physical act towards an opponent with no contact involved
- (7) Taunting

e. Cursing or blaspheming an official shall not be considered the only cause for imposing technical fouls. Running tirades, continuous criticism or griping may be sufficient cause to assess a technical. Excessive misconduct shall result in ejection from the game.

f. Assessment of a technical foul shall be avoided whenever and wherever possible; but, when necessary they are to be assessed without delay or procrastination. Once a player has been ejected or the game is over, technical fouls cannot be assessed regardless of the provocation. Any additional unsportsmanlike conduct shall be reported by e-mail immediately to the League Office.

g. If a technical foul is assessed to a team following a personal foul on the same team, the free throw attempt for the technical foul shall be administered first.

h. The ball shall be awarded to the team which had possession at the time the technical foul was assessed, whether the free throw attempt is successful or not. Play shall be resumed by a throw-in nearest the spot where play was interrupted.

EXCEPTION: Rule 12A—Section I and Rule 12A—Section III.

- 41 -i. Anyone guilty of illegal contact which occurs during a dead ball may be assessed (1) a technical foul, if the contact is deemed to be unsportsmanlike in nature, or (2) a flagrant foul, if unnecessary and/or excessive contact occurs.
- j. Free throws awarded for a technical foul must be attempted by a player in the game when the technical foul is assessed.
- (1) If a substitute has been beckoned into the game or has been recognized by the officials as being in the game prior to a technical foul being assessed, he is eligible to attempt the free throw(s).
- (2) If the technical foul is assessed before the opening tap, any player listed in the scorebook as a starter is eligible to attempt the free throw(s).
- (3) If a technical foul is assessed before the starting lineup is indicated, any player on the squad may attempt the free throw(s).
- k. A technical foul, unsportsmanlike act or flagrant foul must be called for a participant to be ejected.
- EXCEPTION: Rule 12A—Section V-I(4)
- l. A player, coach, trainer, or other team bench person must be ejected for:
- (1) A punching foul
- (2) A fighting foul
- (3) Technical foul for an attempted punch or swing with no contact or a thrown elbow toward an opponent above shoulder level with no contact
- (4) Deliberately entering the stands other than as a continuance of play
- (5) Flagrant foul penalty (2)
- (6) Second flagrant foul penalty (1)
- (7) Participation in the game when not on team's active list
- m. Eye guarding (placing a hand in front of the opponent's eyes when guarding from the rear) a player who does not have possession of the ball is illegal and an unsportsmanlike technical shall be assessed.
- n. A free throw attempt is awarded when one technical foul is assessed.
- o. No free throw attempts are awarded when a double technical foul is assessed.
- T echnical fouls assessed to opposing teams during the same dead ball and prior to the administering of any free throw attempt for the first technical foul, shall be interpreted as a double technical foul.
- p. The deliberate act of throwing the ball or any object at an official by a player, coach, trainer, or other team bench person is a technical foul and violators are subject to ejection from the game.
- q. Punching fouls, although recorded as both personal and team fouls, are unsportsmanlike acts. The player will be ejected immediately .
- r. Any player who throws or kicks the ball directly into the stands with force, regardless of the reason or where it lands, will be assessed a technical foul and ejected. All other instances where the ball ends up in the stands will subject the player to a possible technical foul and ejection.
- Section VI—Fighting Fouls
- a. T echnical fouls shall be assessed players, coaches or trainers for fighting. No free throws will be attempted. The participants will be ejected immediately .
- b. This rule applies whether play is in progress or the ball is dead.
- c. If a fighting foul occurs with a team in possession of the ball, that team will retain possession on the sideline nearest the spot where play was interrupted but no nearer to the

- 42 -baseline than the free throw line extended.

d. If a fighting foul occurs with neither team in possession, play will be resumed with a jump ball between any two opponents who were in the game at the center circle.

e. A fine not exceeding \$50,000 and/or suspension may be imposed upon such person(s) by the Commissioner at his sole discretion.

Section VII—Fines

a. The following progressive technical foul and ejection schedules will apply .

(1) REGULAR SEASON

T echnical Fouls 1-5:	\$2,000 fine each
T echnical Fouls 6-10:	\$3,000 fine each
T echnical Fouls 11-15:	\$4,000 fine each (with a warning letter sent when the violator reaches his 10th technical foul)
T echnical Foul 16:	\$5,000 fine plus one-game suspension

Each Additional T echnical Foul: \$5,000 fine

Each T wo Additional T echnical Fouls (18, 20, 22, etc.): \$5,000 fine plus one-game suspension

(2) PLA YOFFS

T echnical Fouls 1-2:	\$2,000 fine each
T echnical Fouls 3-4:	\$3,000 fine each
T echnical Fouls 5-6:	\$4,000 fine each (with a warning letter sent when the violator reaches his 5th technical foul)
T echnical Foul 7:	\$5,000 fine plus one-game suspension

Each Additional T echnical Foul: \$5,000 fine

Each T wo Additional T echnical Fouls (9, 11, 13, etc.): \$5,000 fine plus one-game suspension

(3) EJECTIONS

First Ejection: \$2,000

Each Subsequent Ejection: Player’s last ejection fine plus \$2,000

All players will revert to the \$2,000 ejection level for the playoffs.

b. Whether or not said player(s) is ejected, a fine not exceeding \$50,000 and/or suspension may be imposed upon such player(s) by the Commissioner at his sole discretion.

c. During an altercation, all players not participating in the game must remain in the immediate vicinity of their bench. Violators will be subject to suspension, without pay , for a minimum of one game and fined up to \$50,000.

The suspensions will commence prior to the start of their next game.

A team must have a minimum of eight players dressed and ready to play in every preseason and regular season game and nine in any playoff game.

If five or more players leave the bench, the players will serve their suspensions alphabetically , according to the first letters of their last name.

If seven bench players are suspended (assuming no participants are included), four of them would be suspended for the first game following the altercation. The remaining three would be suspended for the second game following the altercation.

d. A player, coach or assistant coach, upon being notified by an official that he has been ejected from the game, must leave the playing area IMMEDIATELY and remain in the dressing

- 43 -room of his team during such suspension until completion of the game or leave the building. Violation of this rule shall call for an automatic fine. A fine not to exceed \$50,000 and possible forfeiture of the game may be imposed for any violation of this rule.

e. Any player who in the opinion of the officials has deliberately hung on the basket ring shall be assessed a non-unsportsmanlike technical foul and a fine of \$2000.

EXCEPTION: An offensive or defensive player may hang on the basket ring, backboard or support to prevent an injury to himself or another player, with no penalty .

f. At halftime and the end of each game, the coach and his players are to leave the court and go directly to their dressing room, without pause or delay . There is to be absolutely no talking to game officials.

PENAL TY: \$2000 fine to be doubled for any additional violation.

g. Any player who is assessed a flagrant foul—penalty (2) must be ejected and will be fined a minimum of \$2,000. The incident will be reported to the League Office.

B. Personal Foul
Section I—T ypes

a. A player shall not hold, push, charge into, impede the progress of an opponent by extending a hand, arm, leg or knee or by bending the body into a position that is not normal. Contact that results in the re-routing of an opponent is a foul which must be called immediately.

b. Contact initiated by the defensive player guarding a player with the ball is not legal. This contact includes, but is not limited to, forearm, hands, or body check.

EXCEPTIONS:

- (1) A defender may apply contact with a forearm to an offensive player with the ball who has his back to the basket below the free throw line extended outside the Lower Defensive Box.
 - (2) A defender may apply contact with a forearm and/or one hand with a bent elbow to an offensive player in a post-up position with the ball in the Lower Defensive Box.
 - (3) A defender may apply contact with a forearm to an offensive player with the ball at any time in the Lower Defensive Box.
- The forearm in the above exceptions is solely for the purpose of maintaining a defensive position.
- (4) A defender may position his leg between the legs of an offensive player in a post-up position in the Lower Defensive Box for the purpose of maintaining defensive position. If his foot leaves the floor in an attempt to dislodge his opponent, it is a foul immediately .
 - (5) Incidental contact with the hand against an offensive player shall be ignored if it does not affect the player’s speed, quickness, balance and/or rhythm.
- c. Any player whose actions against an opponent cause illegal contact with yet another opponent has committed the personal foul.
- d. A personal foul committed by the offensive team during a throw-in shall be an offensive foul, regardless of whether the ball has been released.
- e. Contact which occurs on the hand of the offensive player, while that part of the hand is in contact with the ball, is legal.

EXCEPTION: Flagrant and punching fouls.

PENAL TIES: The offender is charged with a personal foul. The offending team is charged with a team foul if the illegal contact was caused by the defender. There is no team foul if there are personal fouls on one member of each team or the personal foul is against an

- 44 -offensive player. The offended team is awarded:

- (1) the ball out-of-bounds on the sideline at the nearest spot where play was interrupted but no nearer to the baseline than the free throw line extended if an offensive foul is assessed.
- (2) the ball out-of-bounds on the sideline where play was interrupted but no nearer to the baseline than the free throw line extended if the personal foul is on the defender and if the penalty situation is not in effect.
- (3) one free throw attempt if the personal foul is on the defender and there is a successful field goal or free throw on the play .
- (4) two/three free throw attempts if the personal foul is on the defender and the offensive player is in the act of shooting an unsuccessful field goal.
- (5) one free throw attempt plus a penalty free throw attempt if the personal foul is on the defender and the offensive player is not in the act of attempting a field goal if the penalty situation is in effect.
- (6) two free throw attempts and possession of the ball on the sideline nearest the spot where play was interrupted if an offensive player, or a teammate, is fouled while having a clear-path-to-the-basket. A clear-path-to-the-basket foul occurs if: (i) a personal foul is committed on any offensive player during his team's transition scoring opportunity; (ii) when the foul occurs, the ball is ahead the tip of the circle in the backcourt, no defender is ahead of the offensive player with the icoring opportunity and that offensive player is in control of the ball or a pass to him has been released; and (iii) the defensive foul deprives the offensive team of a transition scoring opportunity. A clear path to the basket foul cannot occur if (i) the offensive player is fouled in the act of shooting or (ii) the foul is caused by the defender's attempt to intercept or deflect a pass intended for the offensive player with the transition scoring oppirtunity.
- (7) two free throw attempts if a personal foul is committed against an offensive player without the ball when his team has at least a one-man advantage on a fast break and the defensive player takes a foul to stop play .

Section II—By Dribbler

- a. A dribbler shall not (1) charge into an opponent who has established a legal guarding position, or (2) attempt to dribble between two opponents, or (3) attempt to dribble between an opponent and a boundary, where sufficient space is not available for illegal contact to be avoided.
 - b. If a defender is able to establish a legal position in the straight line path of the dribbler, the dribbler must avoid contact by changing direction or ending his dribble.
 - c. The dribbler must be in control of his body at all times. If illegal contact occurs, the responsibility is on the dribbler.
- PENALTY: The offender is assessed an offensive foul. There is no team foul. The ball is awarded to the offended team on the sideline nearest the spot where play was interrupted but no nearer to the baseline than the free throw line extended.
- EXCEPTION: Rule 3—Section I-a.
- d. If a dribbler has sufficient space to have his head and shoulders in advance of his defender, the responsibility for illegal contact is on the defender.
 - e. If a dribbler has established a straight line path, a defender may not crowd him out of that path.

PENALTY: The defender shall be assessed a personal foul and a team foul. If the penalty is not in effect, the offended team is awarded the ball on the sideline nearest the spot where play was interrupted but no nearer to the baseline than the free throw line extended. If the penalty is in effect, one free throw attempt plus a penalty free throw attempt is awarded.

- 45 -Section III—By Screening

A player who sets a screen shall not (1) assume a position nearer than a normal step from an opponent, if that opponent is stationary and unaware of the screener's position, or make illegal contact with an opponent when he assumes a position at the side or front of an opponent, or (3) assume a position so near to a moving opponent that he is not given an opportunity to avoid contact before making illegal contact, or (4) move laterally or toward an opponent being screened, after having assumed a legal position. The screener may move in the same direction and path of the opponent being screened.

In (3) above, the speed of the opponent being screened will determine what the screener's stationary position may be. This position will vary and may be on to two normal steps or strides from his opponent.

Section IV—Flagrant Foul

a. If contact committed against a player, with or without the ball, is interpreted to be unnecessary, a flagrant foul—penalty (1) will be assessed. A personal foul is charged to the offender and a team foul is charged to the team.

PENALTY: (1) Two free throws shall be attempted and the ball awarded to the offended team on either side of the court at the free throw line extended. (2) If the offended player is injured and unable to attempt his free throws, his coach will select one of the remaining four players in the game to attempt the free throws. (3) His coach will pick the substitute, who may not be replaced until the ball is legally touched by a player on the court. (EXCEPTION: Rule 3—Section V-e.) (4) The injured player may not return to the game. (EXCEPTION: Rule 9-Section II-a(2)) (5) A player will be ejected if he commits two flagrant fouls in the same game.

b. If contact committed against a player, with or without the ball, is interpreted to be unnecessary and excessive, a flagrant foul—penalty (2) will be assessed. A personal foul is charged to the offender and a team foul is charged to the team.

PENALTY: (1) Two free throws shall be attempted and the ball awarded to the offended team on either side of the court at the free throw line extended. (2) If the offended player is injured and unable to attempt his free throws, his coach will select a substitute and any player from the team is eligible to attempt the free throws. (3) This substitute may not be replaced until the ball is legally touched by a player on the court. (EXCEPTION: Rule 3—Section V-e.) (4) The injured player may return to the game at any time after the free throws are attempted. (5) This is an unsportsmanlike act and the offender is ejected.

c. A flagrant foul may be assessed whether the ball is dead or alive.

d. A foul must be reviewed using Instant Replay to confirm it meets the criteria to be ruled a flagrant (1) or (2).

Section V—Free Throw Penalty Situations

a. Each team is limited to four team fouls per regulation period without additional penalties. Common fouls charged as team fouls, in excess of four, will be penalized by one free throw attempt plus a penalty free throw attempt.

(1) The first four common fouls committed by a team in any regulation period shall result in the ball being awarded to the opposing team on the sideline nearest where play was interrupted. The ball shall be awarded no nearer to the baseline than the free throw line extended.

(2) The first three common fouls committed by a team in any overtime period, shall result in the ball being awarded to the opposing team on the sideline nearest where play was interrupted. The ball shall be awarded no nearer to the baseline than the free throw line extended.

- 46 -(3) If a team has not committed its quota of four team fouls during the first ten minutes of any regulation period, or its quota of three team fouls during the first three minutes of any overtime period, it shall be permitted to incur one team foul during the last two minutes without penalty.

(4) During any overtime period, common fouls charged as team fouls in excess of three, will be penalized by one free throw plus a penalty free throw attempt.

(5) Personal fouls which are flagrant, punching, away-from-the-play, or clear-path-to-the-basket will carry their own separate penalties and are included in the team foul total.

(6) Personal fouls committed during a successful field goal attempt or free throw, which result in one free throw attempt being awarded, will not result in an additional free throw attempt if the penalty situation exists.

b. A maximum of three points may be scored by the same team on a successful two point field goal attempt.

c. A maximum of four points may be scored by the same team on a successful three point field goal attempt.

Section VI—Double Fouls

a. No free throw attempts will be awarded on double fouls, whether they are personal or technical.

b. Double personal fouls shall add to a player's total, but not to the team total.

c. If a double foul occurs, the team in possession of the ball at the time of the call shall retain possession. Play is resumed on the sideline, nearest the point where play was interrupted but no nearer to the baseline than the free throw line extended. The shot clock is reset to 24 seconds if the ball is to be inbounded in the team's backcourt or stay the same or reset to 14, whichever is greater, if the ball is to be inbounded in the frontcourt.

d. If a double foul occurs with neither team in possession, or when the ball is in the air on an unsuccessful field goal or free throw attempt, play will be resumed with a jump ball at the center circle between any two opponents in the game at that time. If injury, ejection or disqualification makes it necessary for any player to be replaced, no substitute may participate in the jump ball. The jumper shall be selected from one of the remaining players in the game.

e. If a double foul occurs on a successful field goal or free throw attempt, the team that has been scored upon will inbound the ball at the baseline as after any other score.

f. If a double foul occurs as a result of a difference in opinion by the officials, no points can be scored and play shall resume with a jump ball at the center circle between any two opponents in the game at that time. No substitute may participate in the jump ball.

Section VII—Offensive Fouls

a. A personal foul assessed against an offensive player which is neither punching or flagrant shall be penalized in the following manner:

(1) No points can be scored by the offensive team

(2) The offending player is charged with a personal foul

(3) The offending team is not charged with a team foul

EXCEPTION: Rule 3—Section I-a. No penalty free throws are awarded.

(4) The ball is awarded to the offended team out-of-bounds on the sideline at the nearest spot where play was interrupted but no nearer the baseline than the free throw line extended.

b. A personal foul assessed against an offensive player which is punching or flagrant shall be penalized in the following manner:

- 47 -(1) No points can be scored by the offensive team
- (2) The offending player is charged with a personal foul
- (3) The offending team is charged with a team foul
- (4) Two free throw attempts are awarded to the offended player
- (5) The ball shall be awarded at the free throw line extended

Section VIII—Loose Ball Fouls

- a. A personal foul, which is neither a punching or flagrant, committed while there is no team control shall be administered in the following manner:
 - (1) Offending team is charged with a team foul
 - (2) Offending player is charged with a personal foul
 - (3) Offended team will be awarded possession on the sideline, nearest the spot where play was interrupted but no nearer the baseline than the foul line extended, if no penalty exists
 - (4) Offended player is awarded one free throw attempt plus a penalty free throw attempt if the offending team is in a penalty situation
- b. If a “loose ball” foul called against the defensive team is then followed by a successful field goal, one free throw attempt will be awarded to the offended player, allowing for the three point or four point play. This interpretation applies:
 - (1) Regardless of which offensive player is fouled
 - (2) Whether or not the penalty situation exists. The ball can never be awarded to the scoring team out-of-bounds following a personal foul which occurs on the same play
- c. If a “loose ball” foul called against the defensive team is followed by a successful free throw, one free throw will be awarded to the offended player whether or not the penalty is in effect.
- d. If a “loose ball” foul called against the offensive team is then followed by a successful field goal attempt by the same offensive player, no points may be scored.

Section IX—Punching Fouls

- a. Illegal contact called on a player for punching is a personal foul and a team foul. Two free throw attempts shall be awarded, regardless of the number of previous fouls in the period. The ball shall be awarded to the offended team out-of-bounds on either side of the court at the free throw line extended whether the free throw is successful or unsuccessful.
- b. Any player who throws a punch, whether it connects or not, has committed an unsportsmanlike act. He will be ejected following confirmation during review by instant replay and suspended for a minimum of one game.
- c. This rule applies whether play is in progress or the ball is dead.
- d. In the case where one punching foul is followed by another, all aspects of the rule are applied in both cases, and the team last offended is awarded possession on the sideline at the free throw line extended in the frontcourt.
- e. A fine not exceeding \$50,000 and/or suspension may be imposed upon such player(s) by the Commissioner at his sole discretion.

Section X—A way-From-The-Play Foul

- a. A way-from-the-play fouls, which are defined in Rule 4, Section IV-h on page 18, shall be administered as follows:
 - (1) A personal foul and team foul shall be assessed and one free throw attempt shall be awarded. The free throw may be attempted by any player in the game at the time the personal foul was committed.

- 48 -(2) If the foul occurs when the ball is inbounds, the offended team shall be awarded the ball on the sideline at the nearest point where play was interrupted but no nearer to the baseline than the free throw line extended.

(3) If the foul occurs prior to the release on a throw-in, the offended team shall be awarded the ball at the original throw-in spot, with all privileges, if any, remaining.
EXCEPTION: Rule 12-B—Section X-b.

b. In the event that the personal foul committed is a flagrant or punching foul, the play shall be administered as follows:

(1) A personal foul and team foul shall be assessed and the free throw shooter shall be awarded two free throw attempts. The free throws may be attempted by any player in the game at the time the flagrant foul was committed.

(2) If a flagrant foul—penalty (1) is assessed and the offended player is unable to participate in the game, the substitute will be selected by his coach. The two free throws may be attempted by any of the four remaining players in the game. The ball will be awarded to the offended team at the free throw line extended in the frontcourt. The injured player may return to the game.

(3) If a flagrant foul—penalty (2) or punching foul is assessed and the offended player is unable to attempt his free throws because of injury, the substitute will be selected by his coach. The two free throws may be attempted by the substitute or any of the four remaining players in the game. If the offended player is unable to attempt his free throws as a result of being ejected, any of the four remaining players may attempt the free throws. The ball will be awarded to the offended team at the free throw line extended in the frontcourt. The injured player may return to the game.

RULE NO. 13—INSTANT REPLAY

Section I—Instant Replay Review Triggers

a. Instant replay will be triggered in the following situations:

(1) A field goal made with no time remaining on the clock (0:00) at the end of any period.

NOTE: Instant replay will NOT be used to check a successful basket in subsection (1) above if the throw-in, free throw attempt or jump ball started with .2 or .1 on the game clock. The officials will judge the legality of the basket in these situations based on the guidelines as set forth in Comments on the Rules L.

(2) A foul called with no time remaining on the clock (0:00) at the end of any period.

(3) Officials are not reasonably certain whether a personal foul called at any time during a game met the criteria for a flagrant foul.

(4) An Altercation occurs. (For purposes of this instant replay rule only, an Altercation shall mean a situation in which (i) two or more players are engaged in (a) a fight or (b) a hostile physical interaction that is not part of normal basketball play and that does not immediately resolve by itself or with the intervention of game officials or players, or (ii) a player, coach, trainer, or other team bench person commit a hostile act against another player, referee, coach, trainer, team bench person, or spectator (including, for example, through the use of a punch, elbow, kick, blow to the head, shove, or thrown object.)

(5) A play concludes (i) with no time remaining on the clock (0:00) at the end of any period or (ii) at a point when the game officials believe that actual time may have expired in any period; and the officials are reasonably certain that the game clock malfunctioned during the play.

- 49 -(6) Officials are not reasonably certain at any time during a game whether (i) a successful field goal was scored correctly as a 2-point or 3-point field goal, or (ii) in the case of a called shooting foul, whether the player was attempting a 2-point or 3-point field goal; provided that the Replay Center Official did not trigger instant replay to review these matters as permitted by Section I-b(1) below.

(7) Officials are not reasonably certain as to which team should be awarded possession after a ball becomes out-of-bounds or whether a called out-of-bounds in fact occurred during the last two minutes of the fourth period or last two minutes of any overtime period(s).

NOTE: Notwithstanding Section (I)(a)(7) above, Section II(g) below, and related provisions, the Official NBA Playing Rules have been modified for the 2021-22 NBA season (on a one-year trial basis) to (i) eliminate referee-initiated instant replay review of out-of-bounds violations during the last two minutes of the fourth period and the last two minutes of any overtime period; and (ii) extend the Coach's Challenge (see Rule 14 below) so teams may trigger replay review of out-of-bounds violations throughout the entire game. Accordingly, a Coach's Challenge is the only mechanism to trigger replay review of out-of-bounds violations at any point during the game.

(8) Officials are not reasonably certain at any time during a game whether (i) a successful field goal was released prior to the expiration of the shot clock, provided that the Replay Center Official did not trigger instant replay to review this matter as permitted by Section I-b(2) below, or (ii) a called foul was committed prior to the expiration of the shot clock.

(9) Officials are not reasonably certain whether a personal foul called at any time during a game met the criteria for a clear-path-to-the-basket foul.

(10) Officials are not reasonably certain as to which player should attempt free throws on a called foul.

(11) Officials are not reasonably certain whether the ball touched the rim and thus whether the shot clock or game clock should be adjusted during the last two minutes of the fourth period or last two minutes of any overtime period(s).

(12) Officials have determined that illegal contact has occurred on a block/charge foul but are not reasonably certain as to whether the defender was inside or outside the restricted area during the last two minutes of the fourth period or last two minutes of any overtime period(s).

(13) Officials are not reasonably certain whether a goaltending or basket interference violation was called correctly during the last two minutes of the fourth period or last two minutes of any overtime period(s).

(14) Officials are not reasonably certain whether (a) an off-ball foul occurred prior to offensive player beginning his shooting motion on a successful basket if the off-ball foul is committed by a defensive player, (b) a defensive foul is committed prior to the ball being released on a throw-in or (c) the ball being released on a successful field goal if the off-ball foul is a double foul or committed by an offensive player.

(15) Officials are not reasonably certain whether a team had the correct number of players on the court while the ball is in play.

NOTE: Instant replay will NOT be used to check a successful basket in 1. above if the throw-in, free throw attempt or jump ball started with .2 or .1 on the game clock. The officials will judge the legality of the basket in these situations based on the guidelines as set forth in Comments on the Rules L.

- 50 -NOTE: Notwithstanding Section II(a)(7) above, Section II(g) below, and related provisions, the Official NBA Playing Rules have been modified for the 2021-22 NBA season (on a one-year trial basis) to (i) eliminate referee-initiated instant replay review of out-of-bounds violations during the last two minutes of the fourth period and last two minutes of any overtime period; and (ii) extend the Coach's Challenge (see Rule 14 below) so teams may trigger replay review of out-of-bounds violations throughout the entire game. Accordingly, a Coach's Challenge is the only mechanism to trigger replay review of out-of-bounds violations at any point during the game.

b. Instant replay will be immediately triggered by the Replay Center Official in the following situations:

(1) The Replay Center Official is not reasonably certain whether (i) a successful field goal was scored correctly as a 2-point or 3-point field goal during the first 46 minutes of regulation or first three minutes of any overtime period, or (ii) in the case of a called shooting foul at any time during a game, the Replay Center Official is not reasonably certain whether the player was attempting a 2-point or 3-point field goal.

NOTE: If the Replay Center Official did not trigger instant replay in accordance with Section I-b(1) above, the on-court game officials retain the right to independently trigger instant replay (See Section I-a(6)) within the time constraints set forth in Section II-f(1) below.

(2) The Replay Center Official is not reasonably certain whether a successful field goal was released prior to expiration of the shot clock during the first 46 minutes of regulation or first three minutes of any overtime period.

NOTE: If the Replay Center Official did not trigger instant replay in accordance with Section I-b(2) above, the on-court game officials retain the right to independently trigger instant replay (See Section I-a(8)) within the time constraints set forth in Section II-h(1) below.

Section II—Reviewable Matters

a. If an instant replay review is triggered as described in Section I-a(1) above, the Replay Center Official will review the video to determine whether time on the game clock expired before the ball left the shooter's hand.

The Replay Center Official and on-court official(s) may also review the video to determine only the following other matters:

(1) If the shot was timely, whether the successful field goal was scored correctly as a 2-point or 3-point field goal.

(2) Whether the shooter committed a boundary line violation or the ball touched out-of-bounds prior to entering the basket.

For purpose of this review, the official will look only at the position of the shooter's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot.

(3) Whether the shot clock expired before the ball left the shooter's hand.

(4) Whether an 8-second backcourt violation occurred before the ball left the shooter's hand.

(5) Whether any unsportsmanlike acts or unnecessary contact occurred.

b. If an instant replay review is triggered as described in Section I-a(2) above, the Replay Center Official and official who called the foul will review the video to determine the following:

(i) whether a called foul that is not committed on or by a player in the act of shooting occurred prior to the expiration of time on the game clock; or (ii) for a called foul that is committed on or by a player in the act of shooting: (a) whether the foul occurred prior to the expiration of time on the game clock; or (b) whether the shooter released the ball prior to the expiration of time on the game clock if the foul occurred after the expiration of time.

- 51 -The Replay Center Official and on-court official(s) may also review the video to determine only the following other matters:

- (1) Whether the shooter fouled was attempting a 2-point or 3-point field goal.
- (2) Whether a player fouled committed a boundary line violation prior to the foul or the ball touched out of bounds on a successful basket.

For purposes of this review, the Replay Center Official will look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the foul.

- (3) Whether the shot clock expired before the foul occurred.
- (4) Whether an 8-second backcourt violation occurred before the player was fouled.
- (5) Whether any unsportsmanlike acts or unnecessary contact occurred.

c. If an instant replay review is triggered as described in Section I-a(3) above, the Replay Center Official and on-court officials will review the video to determine only the following issues:

- (1) Whether the personal foul should stand or be ruled a flagrant foul penalty 1 or 2 or a technical foul.
- (2) Whether any other players committed unsportsmanlike acts or unnecessary contact immediately prior to and/or immediately following the calling of the foul.

d. If an instant replay review is triggered as described in Section I-a(4) above, the Replay Center Official and on-court officials will review the video to determine only the following issues:

- (1) The identity of all players, coaches, trainers, or team bench persons involved in the Altercation and the action immediately prior to and immediately following the Altercation.
- (2) The level of involvement of each such player, coach, trainer, or team bench person.
- (3) The appropriate penalty to be assessed against each such player, coach, trainer, or team bench person.

e. If an instant replay review is triggered as described in Section I-a(5) above, the Replay Center Official and on-court official(s) will review the video to determine the following issues:

- (1) The proper time (if any) on the game clock following the clock malfunction by determining how much time on the game clock actually expired.
- (2) For a successful field goal, whether the ball left the shooter's hand prior to the expiration of actual time.
- (3) Whether a called foul that is not committed on or by a player in the act of shooting occurred prior to the expiration of actual time.
- (4) For a called foul that is committed on or by a player in the act of shooting:
 - (i) whether the foul occurred prior to the expiration of actual time; or
 - (ii) whether the shooter released the ball prior to the expiration of actual time if the foul occurred after the expiration of actual time.

The Replay Center Official and on-court officials may also review the video to determine only the following other matters:

- (5) If the shot was timely, whether the successful field goal was scored correctly as a 2-point or 3-point field goal or, in the case of a shooting foul, whether the shooter fouled was attempting a 2-point or 3-point field goal.

- 52 -(6) Whether the shooter committed a boundary line violation or the ball touched out-of-bounds prior to entering the basket or, in the case of a foul, whether the player fouled committed a boundary line violation. For purposes of this review, the Replay Center Official will look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot or the foul (as applicable).
- (7) Whether the shot clock expired before the ball left the shooter's hand or the foul occurred.
- (8) Whether an 8-second backcourt violation occurred before the ball entered the frontcourt.
- (9) Whether any unsportsmanlike acts or unnecessary contact occurred.
- NOTE: If time is added to the game clock:
- (i) The team with possession of the ball when the horn or whistle sounds will retain possession on the sideline at the nearest spot.
- (ii) If the ball is released on an unsuccessful field goal attempt or is loose when the horn or whistle sounds, the ball will be jumped at center circle between any two opponents in the game.
- (iii) If the horn or whistle sounds while a successful field goal is in flight, the opposing team will inbound on the baseline as after any successful field goal.
- f. If an instant replay review is triggered as described in Section I-a(6) above, the Replay Center Official and on-court official(s) will review the video to determine the following issues:
- (1) Whether the successful field goal was scored correctly as a 2-point or 3-point field goal. Prior to the last two minutes of the 4th period or the last two minutes of any overtime period, the review must take place prior to the end of the next timeout or period break following the basket in question.
- During the last two minutes of the 4th period or the last two minutes of any overtime period, the review must take place at the next clock stoppage, including immediately upon a successful basket when the clock stops in the last two minutes. If a successful 2-point/3-point field goal is not reviewed in accordance with the foregoing timing rules, the play can no longer be reviewed once the ball is inbound and touched on the court, a personal foul is assessed or violation is whistled.
- (2) Whether the shooter fouled was attempting a 2-point or 3-point field goal. During the entire game, the review must take place prior to the shooter releasing the first free throw attempt.
- The Replay Center Official and on-court official(s) may also review the video to determine only the following other matters:
- (3) Whether the shooter committed a boundary line violation or the ball touched out-of-bounds prior to entering the basket or, in the case of a foul, whether the player fouled committed a boundary line violation. For purposes of this review, the Replay Center Official would look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot or the foul (as applicable).
- (4) Whether the shot clock expired before the ball left the shooter's hand or the foul occurred.
- (5) Whether any unsportsmanlike acts or unnecessary contact occurred.
- g. If an instant replay review is triggered as described in Section I-a(7) above, the Replay Center Official will review the video to determine which team should be awarded possession. The review must take place prior to the subsequent inbound of the ball or, if applicable, jump ball.

- 53 -The Replay Center Official and on-court official(s) may also review the video to determine only the following other matters:

- (1) Whether time on the game clock expired prior to the ball being out-of-bounds.
- (2) Whether the shot clock expired prior to the ball being out-of-bounds.
- (3) Whether an 8-second backcourt violation occurred prior to the ball being out-of-bounds.
- (4) How much time remains in the period and/or on the shot clock.
- (5) Whether any unsportsmanlike acts or unnecessary contact occurred.

h. If an instant replay review is triggered as described in Section I-a(8) above, the Replay Center Official and the official who called the foul will review the video to determine the following issues:

- (1) Whether time on the shot clock expired before the ball left the shooter's hand. Prior to the last two minutes of the 4th period or the last two minutes of any overtime period, the review must take place prior to the end of the next timeout or period break following the basket in question. During the last two minutes of the 4th period or the last two minutes of any overtime period, the review will take place at the next clock stoppage, including immediately upon a successful basket when the clock stops in the last two minutes. If a shot clock violation is not reviewed in accordance with the foregoing timing rules, it may not be reviewed thereafter.
- (2) Whether a called foul that is not committed on or by a player in the act of shooting occurred prior to the expiration of time on the shot clock.
- (3) For a called foul that is committed on or by a player in the act of shooting: whether the foul occurred prior to the expiration of time on the shot clock; or (ii) whether the shooter released the ball prior to the expiration of time on the shot clock if the foul occurred after the expiration of time on the shot clock.

During the entire game, the review of a foul occurring as the shot clock expires must take place prior to the shooter releasing the first free throw attempt or prior to the subsequent inbound of the ball.

The Replay Center Official and on-court official(s) may also review the video to determine only the following other matters:

- (4) If the shot was timely, whether the successful field goal was scored correctly as a 2-point or 3-point field goal or, in the case of a shooting foul, whether the shooter fouled was attempting a 2-point or 3-point field goal.
- (5) Whether the shooter committed a boundary line violation or the ball touched out of bounds prior to entering the basket or, in the case of a foul, whether the player fouled committed a boundary line violation. For purposes of this review, the Replay Center Official would look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot or the foul (as applicable).
- (6) Whether an 8-second backcourt violation occurred before the ball left the shooter's hand or the player was fouled.
- (7) Whether any unsportsmanlike acts or unnecessary contact occurred.

i. If an instant replay review is triggered as described in Section I-a(9) above, the Replay Center Official and the official who called the foul would review the video to determine whether:

- (1) When the foul was called, the ball is ahead the tip of the circle in the backcourt, no defender is ahead of the offensive player with the scoring opportunity and that offensive player is in control of the ball or a pass to him has been released

- 54 -(2) The foul deprived the offensive team of a transition scoring opportunity.

(3) The foul was committed prior to the offensive player starting his shooting motion

(4) The foul was caused by the defender's attempt to intercept or deflect a pass intended for the player with the transition scoring opportunity.

(5) Any unsportsmanlike acts or unnecessary contact occurred.

j. If an instant replay review is triggered in Section I-a(10) above, the Replay Center Official and the official who called the foul will review the video to determine which player was fouled. The review must take place prior to the first free throw being released. The Officials would not review video to determine which player committed the foul in question. The Replay Center Official and on-court officials may review the video to determine only the following other matters:

(1) Whether the shooter fouled was attempting a 2-point or 3-point field goal.

(2) Whether the player fouled committed a boundary line violation prior to the foul.

For purposes of this review, the official will look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the foul.

(3) Whether the shot clock expired before the foul occurred.

(4) Whether an 8-second backcourt violation occurred before the player was fouled.

(5) Whether any unsportsmanlike acts or unnecessary contact occurred.

k. If an instant replay review is triggered in Section I-a(11) above, the Replay Center Official will review the video to determine whether the ball touched the rim, and make any adjustments to the game clock, shot clock, score and possession that are appropriate in accordance with the following:

(1) If play has stopped following the offensive team retaining possession (e.g., the offensive team has made a successful field goal, or a violation or foul has been called), the play must be reviewed immediately upon such stoppage of play and:

(i) For a successful field goal, the Replay Center Official will time the play to determine whether the field goal was released prior to the expiration of 24 seconds. If the Replay Center Official determines that the ball was released before the shot clock expired, the points will count and the opposing team will inbound on the baseline as after any successful field goal. If the Replay Center Official determines that the ball was released after the shot clock should have expired, the points will not count and the opposing team will be awarded the ball at the free throw line extended.

(ii) For a called foul, the Replay Center Official and official who called the foul will time the play to determine whether the foul occurred prior to the expiration of the shot clock or, in the case of a called foul that is committed on a player in the act of shooting, whether the shooter released the ball prior to the expiration of the shot clock. If the Replay Center Official and official determines that the foul occurred or the ball was released prior to the expiration of the shot clock, the called foul will be upheld. If the Replay Center Official determines that the foul occurred or the ball was released after the expiration of the shot clock, the called foul will be overturned and a shot clock violation assessed. (EXCEPTION: Flagrant fouls and unsportsmanlike acts and points scored therefrom will not be nullified.)

(iii) If the ball is caused to become out-of-bounds by the defensive team or a defensive violation is assessed, the Replay Center Official will time the play to determine how much time should be on the shot clock or if a shot clock violation should be assessed.

- 55 -(2) If play is continuous (i.e., if there is no stoppage in play following the offensive team retaining possession of the ball), the officials will stop play during the first pause in action prior to any subsequent change of possession. If the Replay Center Official determines following the review that the shot clock is correct (i.e., no adjustment is required), then play will resume from the point of interruption. If the Replay Center Official determines that the shot clock is incorrect, then the shot clock will be reset to the time the ball was possessed by the offensive team following the ball touching (or not touching) the rim, and the game clock will also be reset to reflect the change. The ball will be inbounded on the sideline nearest the spot where the ball was possessed.

(3) If play is stopped while neither team is in possession of the ball and the Replay Center Official determines following the review that a shot clock violation has not occurred, then play will resume with a jump ball at center court between any two players in the game. The shot clock and game clock will be adjusted accordingly.

(4) Whether any unsportsmanlike acts or unnecessary contact occurred.

If an instant replay review for a shot clock adjustment is not reviewed in accordance with the timing rules set forth above, it may not be reviewed at any point thereafter. The Replay Center Official will have the final ruling on all other scenarios and clock adjustments.

l. If an instant replay review is triggered as described in Section I-a(12) above, the Replay Center Official and the official who called the foul will review the video to determine:

(1) Whether the defender was inside or outside the restricted area.

(2) Whether the defender was in a legal guarding position.

(3) Whether any unsportsmanlike acts or unnecessary contact occurred.

m. If an instant replay review is triggered as described in Section I-a(13) above, the Replay Center Official would review the video in accordance with Rule 11 Section I. The Replay Center Official and on-court officials(s) may also review the video to determine only the following other matters:

(1) If goaltending or basket interference was ruled prior to the ball touching the rim, whether the shooter committed a boundary line violation. For purposes of this review, the Replay Center Official will look only at the position of the shooter's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot and the flight of the ball.

(2) If goaltending or basket interference was ruled prior to the ball touching the rim, whether an 8-second backcourt violation occurred before the ball left the shooter's hand.

(3) Whether any unsportsmanlike acts or unnecessary contact occurred.

n. If an instant replay review is triggered as described in Section I-a(14) above, the Replay Center Official and the official who called the foul will review the video to determine:

(1) Whether the shot clock expired before the foul occurred.

(2) Whether an 8-second backcourt violation occurred before the player was fouled.

(3) Whether any unsportsmanlike acts or unnecessary contact occurred.

o. If an instant replay review is triggered as described in Section I-a(15) above, the Replay Center Official would review the video in accordance with Rule 12A—Section III. The Replay Center Official and on-court official(s) may also review the video to determine whether any unsportsmanlike acts or unnecessary contact occurred.

p. If an instant replay review is triggered as described in Section I-b(1), the Replay Center Official will immediately review the video to determine the following issues:

(1) Whether the successful field goal was scored correctly as a 2-point or 3-point field goal.

- 56 -(2) Whether the shooter fouled was attempting a 2-point or 3-point field goal.
The Replay Center Official will also review the video to determine only the following other matters:

(3) Whether the shooter committed a boundary line violation or the ball touched out-of-bounds prior to entering the basket or, in the case of a foul, whether the player fouled committed a boundary line violation. For purposes of this review, the Replay Center Official will look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot or the foul (as applicable).

(4) Whether the shot clock expired before the ball left the shooter's hand or the foul occurred.

The Replay Center Official's review must take place within the same time constraints set forth in Section II-f(1) above.

q. If an instant replay review is triggered as described in Section I-b(2) above, the Replay Center Official will immediately review the video to determine whether time on the shot clock expired before the ball left the shooter's hand.

The Replay Center Official may also review the video to determine only the following other matters:

(1) If the shot was timely, whether the successful field goal was scored correctly as a 2-point or 3-point field goal.

(2) Whether the shooter committed a boundary line violation or the ball touched out of bounds prior to entering the basket. For purposes of this review, the Replay Center Official will look only at the position of the player's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot or the foul (as applicable).

(3) Whether an 8-second backcourt violation occurred before the ball left the shooter's hand or the player was fouled.

The Replay Center Official's review must take place within the same time constraints set forth in Section II-h(1) above.

Section III—Replay Review Process

a. Except as set forth in Rule 14 below, replay reviews will be triggered by the on-court game officials and Replay Center Official in accordance with the rules set forth in Section I above. The Replay Center Official will determine the final outcome on all replays triggered pursuant to Section I above except Flagrant Fouls and Altercations, which will be decided by the on-court officials, with personnel in the Replay Center playing a supporting role. In all cases, the two game officials will inform both team benches that the play will be reviewed. For replay reviews to be determined by the Replay Center Official, the calling official, and the crew chief at his/her discretion, will go to the scorer's table and put on the headset to receive the ruling from the Replay Center Official and the other on-court official(s) will prepare the players to return to play. If the ruling is to be made by the on-court officials, the crew chief and a second official will go to the scorer's table and make the ruling with the assistance of the Replay Center Official. The third official will monitor the benches.

b. Replay reviews should be conducted within two minutes. Notwithstanding this general rule, discretion will be used to extend the review period as reasonably necessary under unusual circumstances, such as when the play could lead to an ejection (e.g., flagrant fouls/penalty 2), technical issues arise with the replay system, the outcome of the replay review requires multiple replay review angles or additional angles are imminent. In addition, replay reviews of Player Altercations should be concluded within whatever time is reasonably necessary, even if that time period extends beyond two minutes.

- 57 -c. If the replay system is not functioning properly , or not available, the officials will use the nearest courtside broadcast production TV monitor available.

d. The Replay Center Official will use the following to make his/her ruling in the order listed below regarding scoring, timing or fouls at the end of any period:

- (1) Game clock or shot clock on top of backboard
- (2) LED lights
- (3) Game clock on the facades of the balcony
- (4) Game clock on score boards hanging from the ceiling
- (5) Superimposed TV clocks

EXCEPTION: For clock malfunctions when clocks start early, late or freeze—the Replay Center Official will use the digital clock in the Replay Center to make the final ruling.

e. The officials will keep both teams on the court at the end of the second period if replay is being used to determine if a foul was called prior to expiration of the period or if there is any question whether the shooter committed a shot clock violation, 8-second violation or boundary line violation where time may be added to the game clock.

f. The officials will keep both teams on the court anytime replay is used at the end of the fourth period or overtime period.

RULE NO. 14—COACH’S CHALLENGE

Section I—Overview

a. A head coach may trigger instant replay review of certain events subject to the terms and conditions set forth in this rule. Instant replay review triggered pursuant to this rule shall be referred to as a “Coach’s Challenge” (or “Challenge” for short).

b. Each team is entitled to one Challenge throughout the entire game (regardless of whether the Challenge is successful).

c. A team may utilize a Challenge to trigger instant replay review of only the following three events: (1) a called personal foul charged to its own team, (2) a called out-of-bounds violation, or (3) a called goaltending or basket interference violation; provided that, in the last two minutes of the fourth period and last two minutes of any overtime, a team is no longer able to utilize a Challenge to trigger instant replay review of a called out-of-bounds violation, or called goaltending or basket interference violation, as review of these events during these periods will be exclusively triggered by the on-court game officials.

NOTE: Notwithstanding the above, the Official NBA Playing Rules have been modified for the 2021-22 NBA season (on a one-year trial basis) to (i) eliminate referee-initiated instant replay review of out-of-bounds violations during the last two minutes of the fourth period and the last two minutes of any overtime period; and (ii) extend the Coach’s Challenge so teams may trigger replay review of out-of-bounds violations throughout the entire game. Accordingly, a Coach’s Challenge is the only mechanism to trigger replay review of out-of-bounds violations at any point during the game.

d. Any called foul, violation, or other decision by the game officials not listed in Section I-c above, or any non-call, is not a challengeable event. For clarity, instant replay review of the following events, among others, may not be triggered by a Challenge: (1) a called personal foul charged to the opposing team, (2) continuation—e.g., whether a defensive foul occurred prior to the offensive player beginning his shooting motion, (3) a Technical Foul or Flagrant Foul, and (4) violations such as traveling, carrying, double dribble, or an offensive or defensive three-seconds. As set forth in Section II-b(3) below, any aspect related to continuation constitutes a reviewable matter when a called foul is properly challenged, but continuation is not by itself an independent challengeable event.

- 58 -Section II—Procedure to Initiate the Challenge

a. To initiate a Challenge, the challenging team must take the following steps in sequence:

(1) The challenging team must call a legal timeout immediately after the call in question (unless a mandatory timeout or timeout called by the opposing team is already underway);

(2) The challenging team’s head coach must simultaneously signal for a Challenge by utilizing the instant replay signal (i.e., twirling an index finger) toward the game official(s) during the same interaction with the game official(s) in which the timeout was called or, if the timeout was called by a player on the challenging team, the challenging team’s head coach must simultaneously signal for the Challenge by utilizing the instant replay signal toward the game officials as the game official is notifying the scorekeeper of the timeout; and

(3) During the same interaction with the game official(s) in which the challenging team’s head coach signaled for the Challenge, the challenging team’s head coach must notify the game official(s) of the specific event that the team is challenging.

For purposes of this rule only, “immediately” shall mean that a timeout is called prior to the ball being given to the thrower-in, the ball being given to the free throw shooter, or the ball being tossed on a jump ball, whichever is applicable (unless a mandatory timeout or timeout called by the opposing team is already underway).

b. To initiate a Challenge of an event that immediately preceded a mandatory timeout or timeout called by the opposing team, no later than 30 seconds from the start of the timeout (as measured by the timeout clock), the challenging team’s head coach must take the following steps in sequence:

(1) Signal for a Challenge by utilizing the instant replay signal toward the game officials; and

(2) During the same interaction with the game official(s) in which the challenging team’s head coach signaled for the Challenge, the challenging team’s head coach must notify the game official(s) of the specific event that the team is challenging.

c. In the event the game officials conference to determine the call on the floor (and, as a result, the final ruling on the play is unknown for a period of time), the window of time within which a team must immediately challenge the call starts after the officials notify the negatively affected team of the final ruling on the play. The negatively affected team’s window to challenge the final ruling on the play ends when the ball is given to the inbounder or free throw shooter, jump-ball is tossed, or 30 seconds after the team has been notified of the final ruling on the play in the event that a mandatory timeout or timeout by the opposing team has been called (whichever is applicable).

d. A team loses its opportunity to challenge the prior call if it is called for a delay-of-game after the call in question but prior to calling timeout and simultaneously signaling for a Challenge.

e. Once instant replay review is triggered by a valid Challenge, the official will notify the official scorer of the Challenge. The official scorer shall immediately record the Challenge and, once the instant replay review process is complete, the outcome of the Challenge (including whether the Challenge resulted in a loss of one timeout for the challenging team).

Section III—Reviewable Matters

a. If an instant replay review of a called foul is triggered by a Challenge, the on-court crew chief will review the video to evaluate whether the foul being challenged was correctly called.

The on-court crew chief may also review the video to determine only the following other matters:

- 59 -(1) Whether the correct player (including a player on the opposing team) was called for the foul;
- (2) Whether a different foul proximate to the called foul should have been called;
- (3) Any aspect related to continuation, including, but not limited to:
- (a) Whether the foul occurred prior to the offensive player beginning his shooting motion if the foul is committed by a defensive player;
- (b) Whether a made basket that the on-court game officials counted shall not count because an offensive player committed a violation after the offensive player gathered the ball; and
- (c) Whether a made basket disallowed by the on-court game officials shall count because the shot constituted legal continuation.
- (4) Whether a goaltending or basket interference violation occurred on the play;
- (5) Whether the game clock expired prior to the foul;
- (6) Whether the shot clock expired prior to the foul;
- (7) If an offensive player was fouled while in possession of the ball, whether the player who was fouled committed a boundary line violation either just prior to or after the foul;
- (8) Whether an 8-second backcourt violation occurred before the player was fouled; and
- (9) Whether any unsportsmanlike acts or unnecessary contact occurred.
- NOTE: For purposes of Section III-a(2) above, the factors that will be considered in determining whether a prior uncalled foul is proximate to the called foul include (1) whether the players involved in the uncalled foul are the same or different players than the ones involved in the called foul under review, (2) the distance between the uncalled foul and the called foul under review, and (3) the time elapsed between the uncalled foul and the called foul under review.
- b. If an instant replay review of an out-of-bounds violation is triggered by a Challenge, the Replay Center Official will review the video to evaluate whether the out-of-bounds violation was correctly called.
- The Replay Center Official may also review the video to determine only the following other matters:
- (1) Whether the game clock expired prior to the ball being out-of-bounds;
- (2) Whether the shot clock expired prior to the ball being out-of-bounds;
- (3) Whether an 8-second backcourt violation occurred prior to the ball being out-of-bounds;
- (4) How much time remains in the period and/or on the shot clock;
- (5) Whether any unsportsmanlike acts or unnecessary contact occurred; and
- (6) If the out-of-bounds violation called on the floor is overturned and that call occurred simultaneous to a successful shot attempt by the offensive player, whether the whistle sounded before or after the player started his shooting motion (See Rule No. 14—Section VI).
- c. If an instant replay review of a goaltending or basket interference violation is triggered by a Challenge, the Replay Center Official will review the video to evaluate whether the call on the floor was correct.
- The Replay Center Official may also review the video to determine only the following other matters:

- 60 -(1) If goaltending or basket interference was ruled prior to the ball touching the rim, whether the shooter committed a boundary line violation; provided that, for purposes of this review, the Replay Center Official will look only at the position of the shooter's feet at the moment they last touched the floor immediately prior to (or, if applicable, during) the release of the shot and the flight of the ball;
- (2) If goaltending or basket interference was ruled prior to the ball touching the rim, whether an 8-second backcourt violation occurred before the ball left the shooter's hand; and
- (3) Whether any unsportsmanlike acts or unnecessary contact occurred.

Section IV—Replay Review Process

- a. The on-court crew chief will determine the final outcome when instant replay review of a called foul is triggered by a Challenge, with personnel in the Replay Center playing a supporting role.
- b. The Replay Center Official will determine the final outcome when instant replay review of a called out-of-bounds violation or called goaltending or basket interference violation is triggered by a Challenge.
- EXCEPTION: For pre-season or regular season games conducted outside an NBA arena, the on-court crew chief will determine the final outcome of any replay review triggered by a Challenge.
- c. To overturn a challenged event or to change the outcome of a reviewable matter via a Challenge, there must be clear and conclusive visual evidence that the initial adjudication of that aspect of the play was incorrect.
- d. Once the instant replay review process is triggered by a Challenge, the on-court crew chief or Replay Center Official (as appropriate) shall arrive at one of two determinations with respect to the call that was challenged:
- (1) The call stands (i.e., there is not clear and conclusive visual evidence that the call was incorrect); or
- (2) The call is overturned (i.e., there is clear and conclusive visual evidence that the call was incorrect).

Section V—Impact on Timeouts

- a. If the call subject to review pursuant to a Challenge is not overturned, the Challenge is deemed unsuccessful and the challenging team loses its timeout.
- b. If the call subject to review pursuant to a Challenge is overturned, the Challenge is deemed successful and the challenging team retains its timeout unless the timeout taken in conjunction with the Challenge initiated a mandatory timeout.
- If a Challenge is utilized to trigger instant replay review of a called foul, that challenge shall only be deemed successful if the called foul is overturned (i.e., not assigned to the player who was originally called for the foul) because the review results in either:
- (1) No foul assigned to any player (including if the foul was overturned because a reviewable violation occurred prior to the foul); or
- (2) A foul assigned to a different player (including a different player on the challenging team).
- If a Challenge is utilized to trigger instant replay review of a called foul, that challenge shall be deemed unsuccessful if the foul remains assigned to the player originally called for the foul regardless of whether any other reviewable matters are changed to the challenging team's

- 61 -benefit. For the sake of clarity, it shall be deemed an unsuccessful Challenge if a called foul is not overturned but changed from a shooting foul (that would have resulted in free throws for the opposing team) to a non-shooting foul (that does not result in free throws for the opposing team).

c. If a team utilizes a Challenge to trigger instant replay review of an event that immediately preceded the challenging team's mandatory timeout, the challenging team will lose its mandatory timeout (even if the Challenge is successful). If the Challenge is unsuccessful, the challenging team will only be charged one timeout (i.e., it will not be charged a timeout for both the mandatory timeout and the Challenge).

d. If a team utilizes a Challenge to trigger instant replay review of an event that preceded the opposing team's mandatory timeout, the team that is ultimately charged with the timeout depends on whether the Challenge is successful:

(1) If the Challenge is unsuccessful, the challenging team will be assigned the timeout and, notwithstanding that the Challenge coincided with the opposing team's mandatory timeout, the opposing team will not be charged for the timeout (and, if another mandatory timeout is remaining in the period, the next mandatory timeout will be assigned to the opposing team); and

(2) If the Challenge is successful, the challenging team will not be assigned a timeout and the opposing team will be charged with the timeout.

e. If a team utilizes a Challenge to trigger instant replay review of an event that preceded a timeout called by the opposing team, the team that is ultimately charged with the timeout depends on whether the Challenge is successful:

(1) If the Challenge is unsuccessful, the challenging team will be assigned the timeout and, notwithstanding that the opposing team initially called the timeout, the opposing team will not be charged for the timeout; and

(2) If the Challenge is successful, the challenging team will not be assigned a timeout and the opposing team will be charged with the timeout.

f. If a team attempts to utilize a Challenge to trigger instant replay review of an event when that team has no remaining timeouts, no Challenge will take place, and that team shall be charged with an excessive timeout, for which the penalty is a Technical Foul.

g. If a team attempts to utilize a Challenge to trigger instant replay of an event that may not be reviewed, the team will be charged a timeout but retain its Challenge.

Section VI—Resumption of Play

If a Challenge results in the call on the floor being overturned following instant replay review, play is resumed at the point of interruption.

For purposes of this rule only, the point of interruption is where the ball is located when the whistle sounds; provided that:

(1) If the defensive team utilizes a Challenge to trigger instant replay review of a defensive foul that occurred after an offensive player started his shooting motion on a successful shot attempt, and the defensive foul itself is overturned after the replay review, the basket shall count (regardless of when the whistle sounded) and the defensive team is awarded the ball to start the next possession; and

(2) If the offensive team utilizes a Challenge to trigger instant replay review of an out-of-bounds violation that occurred simultaneous to a successful shot attempt by the offensive player and the whistle sounded after the offensive player started his shooting motion, and the out-of-bounds violation is overturned after replay review, the basket shall count and the defensive team is awarded the ball to start the next possession.

- 62 -COMMENTS ON THE RULES

I. GUIDES FOR ADMINISTRATION AND APPLICATION OF THE RULES

Each official should have a definite and clear conception of their overall responsibilities. It is essential for them to know, understand and implement the rules as intended. If all officials possess the same conception there will be a guaranteed uniformity in the administration of all contests.

The restrictions placed upon the player by the rules are intended to create a balance of play, equal opportunity for the defense and the offense, provide reasonable safety and protection for all players and emphasize cleverness and skill without unduly limiting freedom of action of player or team.

The purpose of penalties is to compensate a player who has been placed at a disadvantage through an illegal act of an opponent and to restrain players from committing acts which, if ignored, might lead to roughness even though they do not affect the immediate play.

II. BASIC PRINCIPLES

A. CONTACT SITUATIONS

1. Incidental Contact

The mere fact that contact occurs does not necessarily constitute a foul. Contact which is incidental to an effort by a player to play an opponent, reach a loose ball, or perform normal defensive or offensive movements, should not be considered illegal. If, however, a player attempts to play an opponent from a position where he has no reasonable chance to perform without making contact with his opponent, the responsibility is on the player in this position.

The hand is considered "part of the ball" when it is in contact with the ball. Therefore, contact on that part of the hand by a defender while it is in contact with the ball is not illegal.

2. Guarding an Opponent

In all guarding situations, a player is entitled to any spot on the court he desires, provided he legally gets to that spot first and without contact with an opponent. If a defensive or offensive player has established a position on the floor and his opponent initiates contact that results in the dislodging of the opponent, a foul should be called IMMEDIATELY.

During all throw-ins, the defensive player(s) must be allowed to take a position between his man and the basket.

A player may continue to move after gaining a guarding position in the path of an opponent provided he is not moving directly or obliquely toward his opponent when contact occurs. A player is never permitted to move into the path of an opponent after the opponent has started his upward jumping motion.

A player who extends a hand, forearm, shoulder, hip or leg into the path of an opponent and thereby causes contact is not considered to have a legal position in the path of an opponent.

A player is entitled to a vertical position even to the extent of jumping straight-up or holding his arms above his shoulders, as in post play or when double-teaming in pressing tactics.

- 63 -Any player who conforms to the above is absolved from responsibility for any contact by an opponent which may dislodge or tend to dislodge such player from the position which he has attained and is maintaining legally . If contact occurs, the official must decide whether the contact is incidental or a foul has been committed.

3. Screening

When a player screens in front of or at the side of a stationary opponent, he may be as close as he desires providing he does not make contact. His opponent can see him and, therefore, is expected to detour around the screen.

If he screens behind a stationary opponent, the opponent must be able to take a normal step backward without contact. Because the opponent is not expected to see a screener behind him, the player screened is given latitude of movement. The defender must be given an opportunity to change direction and avoid contact with the screener.

To screen a moving opponent, the player must stop soon enough to permit his opponent the opportunity to avoid contact. The distance between the player screening and his opponent will depend upon the speed at which the players are moving.

If two opponents are moving in the same direction and path, the player who is behind is responsible for contact. The player in front may stop or slow his pace, but he may not move backward or sideward into his opponent. The player in front may or may not have the ball.

This situation assumes the two players have been moving in identically the same direction and path before contact.

4. The Dribble

If the dribbler's path is blocked, he is expected to pass or shoot; that is, he should not try to dribble by an opponent unless there is a reasonable chance of getting by without contact.

B. FOULS: FLAGRANT—UNSPORTSMANLIKE

To be unsportsmanlike is to act in a manner unbecoming to the image of professional basketball. It consists of acts of deceit, disrespect of officials and profanity . The penalty for such action is a technical foul. Repeated acts shall result in expulsion from the game and a minimum fine of \$2,000.

A flagrant foul—penalty (1) is unnecessary contact committed by a player against an opponent.

A flagrant foul—penalty (2) is unnecessary and excessive contact committed by a player against an opponent. It is an unsportsmanlike act and the offender is ejected following confirmation by instant replay review .

The offender will be subject to a fine not exceeding \$50,000 and/or suspension by the Commissioner.

See Rule 12B—Section IV for interpretation and penalties.

C. BLOCK-CHARGE

A defensive player is permitted to establish a legal guarding position in the path of a dribbler regardless of his speed and distance.

A defensive player is not permitted to move into the path of an offensive player once he has started his upward motion to attempt a field goal or pass.

A defensive player must allow a moving player the opportunity to avoid contact when the offensive player receives a pass outside the lower defensive box. The lower defensive box is the area between the 3-foot posted-up marks, the bottom tip of the circle and the endline.

- 64 -A defensive player must allow an airborne player the opportunity to land and then avoid contact when the offensive player is outside the lower defensive box.

A defensive player is permitted to establish a legal guarding position in the path of an offensive player who receives a pass inside the lower defensive box regardless of his speed and distance.

A defensive player must allow an airborne player who receives a pass the space to land when the offensive player is inside the lower defensive box.

A player must allow a moving opponent without the ball the opportunity to avoid contact if he moves into his path.

The speed of the player will determine the amount of distance an opponent must allow .

If an offensive player causes contact with a defensive player who has established a legal position, an offensive foul shall be called and no points may be scored. A defensive player may turn slightly to protect himself, but is never allowed to bend over and submarine an opponent.

An offensive foul should not be called for charging if the contact is with a secondary defensive player who has established a defensive position within a designated "restricted area" near the basket for the purpose of drawing an offensive foul. The offensive player must take a path directly to the rim. The "restricted area" for this purpose is the area bounded by an arc with a 4-foot radius measured from the center of the basket ring.

EXCEPTION: Any player may be legally positioned within the "restricted area" if the offensive player receives the ball within the Lower Defensive Box.

The mere fact that contact occurs on these type of plays, or any other similar play , does not necessarily mean that a personal foul has been committed. The officials must decide whether the contact is negligible and/or incidental, judging each situation separately .

An offensive foul shall be assessed if the player initiates contact in a non-basketball manner (leads with his foot, an unnatural extended knee, etc.).

D. GAME POSTPONEMENT AND CANCELLATIONS

The decision to postpone or cancel a game can only be made by the League Office, after consultation with the affected teams.

Before a game begins, a game may be postponed or cancelled for issues related to the condition of the playing court or arena, or a general or forecasted condition involving weather, travel, civil unrest, natural disaster, or other event.

The following factors will be considered in determining whether a game will be postponed or cancelled:

- (1) The whereabouts of teams and game officials (including the efforts that have been made or can be made to get these participants to the game site).
- (2) Whether sufficient team and arena staff are available to operate the arena and conduct the game.
- (3) Input from both teams.
- (4) The safety of game participants, team and arena staff, and fans.
- (5) Communications with state or local government officials and law enforcement.
- (6) The ability to reschedule the game.
- (7) Any other factor that the NBA deems relevant to the decision.

After a game has begun, the decision to postpone or cancel that game will be made using the factors listed above. However, the determination of whether to delay the game while the decision is being made is within the authority of the game officials (in consultation with the League Office).

- 65 -E. PHYSICAL CONTACT—SUSPENSION

Any player or coach guilty of intentional physical contact with an official shall automatically be suspended without pay for one game. A fine and/or longer period of suspension will result if circumstances so dictate.

F. PROTEST

Protests are not permitted during the course of a game. In order to file a protest, the procedure, as set forth in the NBA constitution, is as follows: "In order to protest against or appeal from the result of a game, notice thereof must be given to the Commissioner within forty-eight (48) hours after the conclusion of said game, by e-mail or fax, stating therein the grounds for such protest. No protest may be filed in connection with any game played during the regular season after midnight of the day of the last game of the regular schedule. A protest in connection with a playoff game must be filed not later than midnight of the day of the game protested. A game may be protested only by a Governor, Alternate Governor or Head Coach. The right of protest shall inure not only to the immediately allegedly aggrieved contestants, but to any other member who can show an interest in the grounds of protest and the results that might be attained if the protest were allowed. Each e-mail or fax of protest shall be immediately confirmed by letter and no protest shall be valid unless the letter of confirmation is accompanied by a check in the sum of \$10,000 payable to the Association. If the member filing the protest prevails, the \$10,000 is to be refunded. If the member does not prevail, the \$10,000 is to be forfeited and retained in the Association treasury . "Upon receipt of a protest, the Commissioner shall at once notify the member operating the opposing team in the game protested and require both of said members within five (5) days to file with him such evidence as he may desire bearing upon the issue. The Commissioner shall decide the question raised within five (5) days after receipt of such evidence."

G. SHATTERING BACKBOARDS

Any player whose contact with the basket ring or backboard causes the backboard to shatter or makes the ring unplayable will be penalized in the following manner:

(1) Pre-game and/or halftime warm-ups—No penalty to be assessed by officials.

(2) During the game—non-unsportsmanlike conduct technical foul. Under no circumstances will that player be ejected from the game. The Commissioner will review all actions and plays involved in the shattering of a backboard.

H. PLAYER/TEAM CONDUCT AND DRESS

(1) Each player when introduced, prior to the game, must be uniformly dressed.

(2) Players, coaches and trainers must stand and line up in a dignified posture along the foul lines during the playing of the American and/or Canadian national anthems.

(3) The dress code for players has been modified for the 2020-21 NBA season. Players not in uniform (whether on the Active List or Inactive List) are no longer required to wear a sport coat when seated on the bench during games, but such players must wear dress attire that is clean and neat in appearance. "Athleisure" (including, but not limited to, jogger pants, jumpsuits, sweatpants, leggings, etc.) or similar attire is not permitted when seated on the bench during games.

(4) While playing, players must keep their uniform shirts tucked into their pants, and no T-shirts are allowed.

(5) The only article bearing a commercial 'logo' which can be worn by players is their shoes.

- 66 -I. OFFENSIVE 3-SECONDS

The offensive player cannot be allowed in the 3-second lane for more than the allotted time. This causes the defensive player to 'hand-check' because he cannot control the offensive player for that extended period of time.
If the offensive player is in the 3-second lane for less than three seconds and receives the ball, he must make a move toward the hoop for the official to discontinue his three second count. If he attempts to back the defensive player down, attempting to secure a better position in relation to the basket, offensive three seconds or an offensive foul must be called. If he passes off and immediately makes a move out of the lane, there should be no whistle.

J. PLAYER CONDUCT—SPECTATORS

Any coach, player, trainer, or other team bench person who deliberately enters the spectator stands during the game will be automatically ejected and the incident reported by e-mail to Basketball Operations. Entering the stands to keep a ball in play by a player or the momentum which carries the player into the stands is not considered deliberate. The first row of seats is considered the beginning of the stands.

K. FIGHTING

Violent acts of any nature on the court will not be tolerated. Players involved in altercations will be ejected, fined and/or suspended.
There is absolutely no justification for fighting in an NBA game. The fact that you may feel provoked by another player is not an acceptable excuse. If a player takes it upon himself to retaliate, he can expect to be subject to appropriate penalties.

L. EXPIRATION OF TIME

NO LESS THAN :00.3 must expire on the game clock and shot clock when a ball is thrown inbounds and then hit instantly out-of-bounds. If less than :00.3 expires in such a situation, the timer will be instructed to deduct AT LEAST :00.3 from the game clock and shot clock. If, in the judgment of the official, the play took longer than :00.3, he will instruct the timer to deduct more time. If :00.3 or less remain on the game clock when this situation occurs, the period is over. If :00.3 or less remain on the shot clock when this situation occurs, a shot clock violation is called.
The game clock and shot clock must show :00.3 or more in order for a player to secure possession of the ball on a rebound or throw-in to attempt a field goal. Instant replay shall be utilized if the basket is successful on this type of play and the game clock runs to 0:00 or the shot clock expires on a made basket and the officials are not reasonably certain that the ball was released prior to the expiration of the shot clock. The only type of field goal which may be scored if the game clock and shot clock are at :00.2 or :00.1 is a "tip-in" or "high lob."
A "tip-in" is defined as any action in which the ball is deflected, not controlled, by a player and then enters the basket ring. This type of action shall be deemed legal if :00.1 or more remains in a period.
A "high lob" is defined as a pass which is tipped by an offensive player while in mid-air, and is followed instantaneously by a field goal attempt. If the reception of the pass and the subsequent "slam dunk" is immediately adjacent to the basket ring, this type of action shall be deemed legal if :00.1 or more remains in a period. However, if the "high lob" attempt is a distance from the basket ring whereby the ball must be controlled in mid-air, either one-handed or two-handed, a minimum of :00.3 is necessary for a field goal to score if successful. Instant replay would NOT be used if the play starts with :00.2 or :00.1 on the game clock or shot clock.

- 67 - NO LESS than :00.3 must expire on the game clock when a player secures possession of an unsuccessful free throw attempt and immediately requests a timeout. If LESS than :00.3 expires in such a circumstance, the time on the game clock shall be reduced by at least :00.3. Therefore, if :00.3 OR LESS remain on the game clock when the above situation exists, and a player requests a timeout upon securing possession of the ball, the period is over. Regardless of when the horn or red light operates to signify the end of period, the officials (as aided by instant replay , if required) will ultimately make the fynal decision whether to allow or disallow a successful field goal. THE CREW CHIEF MUST T AKE CHARGE OF THE SITUA TION.

M. VERBAL F AN INTERFERENCE

Any spectator who verbally abuses players and/or coaches in a manner which, in the opinion of the game officials, interferes with the ability of a coach to communicate with his players during the game and/or huddles, will, at the direction of the crew chief, be given one warning by a building security officer. If the same spectator continues to behave in a like manner, the crew chief shall direct a building security officer to eject the spectator from the arena.

N. GUIDELINES FOR INFECTION CONTROL

In addition to the Health and Safety Protocols for the 2020-21 NBA Season, any subsequent addition or amendments to the Protocols, or the addition of any other health- or safety-related rules established by the NBA in response to COVID-19 pandemic, all NBA team physicians, athletic trainers, equipment managers, and related personnel must comply with the infection control procedures set forth below (in this Section N) in all NBA arenas, locker rooms, training rooms, and practice facilities.

If a player suffers a laceration or a wound where bleeding occurs or if blood is visible on a player or his uniform, the officials shall suspend the game at the earliest appropriate time and allow a maximum of 30 seconds for treatment. After that time, the head coach shall be informed that he has the option to substitute for the player or call a timeout. If a substitute replaces the player, the opposing team shall be allowed to substitute one player. The bleeding player may return to the game when he has received appropriate treatment by medical staff personnel.

A team will not be given an additional 30 seconds should the bleeding occur from a wound which reopened, which is not the result of additional contact.

If the player returns to the game, the officials shall make certain that any lesion, wound or dermatitis is covered with a dressing that will prevent contamination to and/or from other sources. A wrist or sweat band is not considered a suitable bandage.

If the bleeding player is awarded a free throw attempt(s) as a result of a personal foul, or is involved in a jump ball, the bleeding player will be given 30 seconds for treatment.

If the treatment is not completed, play will resume and will then be suspended at the first appropriate time.

Mandatory timeouts shall not be granted during a suspension of play unless a team is granted a timeout.

If treatment is not completed within the allotted time, the head coach may call another timeout or substitute for the bleeding player. Substitutes are permitted consistent with existing rules on substitution.

If a team has no timeouts remaining when play is suspended, the officials will allow 30 seconds for appropriate treatment. If the treatment is not completed in accordance with paragraph two above, the bleeding player must be removed immediately. ONL Y the bleeding player on that team may be removed from the game under these circumstances. If so, the opponent may also substitute one player.

The offensive team will receive a full eight seconds to advance the ball into the front-court. The shot clock will remain as is or reset to 14, whichever is greater.

- 68 -O. DEAD BALL, LIVE BALL, BALL IS ALIVE

After the ball has been dead, it is put into play by a jump ball, throw-in or a free throw attempt. The game clock does not start until the ball is legally touched on the court by a player. However, any floor violation or personal foul which may occur will be penalized. The ball is live when it is given to the thrower-in, free throw shooter or is tossed by the official on a jump ball. Illegal contact, which occurs prior to the ball becoming live, will be ignored if it is not unsportsmanlike or flagrant.

The ball is alive when it is legally tapped by one of the participants of a jump ball, released by a thrower-in or released on a free throw attempt that will remain in play .

P. TAUNTING

If a player blatantly taunts an opponent, a technical foul shall be assessed. The opponent WILL NOT , automatically , be assessed a technical foul. His behavior will be the determining factor.

Simultaneous taunting is a verbal altercation. V erbal altercations and unsportsmanlike conduct wily be administered as a double technical foul and no free throws will be attempted. T echnical fouls assessed to opposing teams during the same dead ball and prior to the administering of any free throw attempt for the first technical foul, shall be interpreted as a double technical foul.

A PLAYER(S) GUILTY OF TAUNTING MUST BE SINGLED OUT AND PENALIZED.

If a previous unsportsmanlike act has been committed and if this situation is BLA T ANT , a technical foul must be assessed anc the guilty player(s) must be ejected.

Q. FLAGRANT FOUL CRITERIA

1. The severity of the contact;
2. Whether or not the player was making a legitimate basketball play (e.g., whether a player is making a legitimate effort to block a shot; note, however, that a foul committed during a block attempt can still be considered flagrant if other criteria are present, such as recklessness and harp contact to the head);
3. Whether, on a foul committed with a player's arm or hand, the fouling player wound up and/or followed through after making contact;
4. The potential for injury resulting from contact (e.g., a blow to the head and a foul committed while a player is in a vulnerable position);
5. The severity of any injury suffered by the offended player; and
6. The outcome of the contact (e.g., whether it led to an altercation).

- 69 -SHOT CLOCK VIOLA TION
Tap head signal
'24'3-PT. FIELD GOAL
Official will raise one
arm on attemptIf goal is successful
raise the other arm
3-SECOND
OFFENSIVE VIOLATION
Fingers sidewaysBASKET INTERFERENCE
Rotate finger
wipe out basket
BLOCKING
Hands on hipsCANCEL SCORED
CANCEL PLAY
Shift arms across bodyCHARGING
Clenched fistDEFENSIVE 3-SECOND
VIOLATION
Chop down two times
followed by technical foul
signal

- 70 -DIRECTION OF PLAY
Point - Direction
call team colorDOUBLE FOUL
Cross clenched fist
above headGOALTENDING
"Flag" from wrist
HAND CHECKING
Arm straight out
opposite arm grabbing wrist.HOLDING
Signal Foul:
grasp wrist
ILLEGAL FOREARM
Arm bent 90° in front of
bodyILLEGAL DRIBBLE
Patting motion
call team colok
ILLEGAL SCREEN
OUT-OF-BOUNDS
Arms outstretched and
crossed in front of chestILLEGAL USE OF HAND
Signal foul:
strike wrist

- 71 -PERSONAL FOUL
Clenched fistPUSHING
Signal foul: imitate pushREPLAY
Twirl fingerTECHNICAL FOUL
Form T
TIME-IN TIME-OUT
Open palm Chop hand
to sideLOOSE BALL FOUL
Extended arms
to shoulder levelOFFENSIVE PLAYER
OUT-OF-BOUNDS
Arms outstretched to side
from shoulder to waist in
downward motionJUMP BALL
Thumbs up
TO DESIGNATE
OFFENDER
Hold up number
of playerTRAVELING
Rotate fists

NAISMIT
H MEMORIAL BASKETBALL
HALL OF FAME, INC.
(PARENT COMPANY ONLY)
FINANCIAL STATEMENTS
for the years endey December 31, 2021 and 2020

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)
for the years ended December 31, 2021 and 2020
C O N T E N T S

Page	
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	4
Statement of Activities	5
Notes to Financial Statements	9
Schedule of Expenditures of Federal Awards	26
Notes to Schedule of Expenditures of Federal Awards	27
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	28
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	30
Schedule of Findings and Questioned Costs	33

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
 (PARENT COMPANY ONLY)

STATEMENTS OF FINANCIAL POSITION

December 31, 2021 and 2020

See notes to financial statements.

4	2021	2020		
ASSETS				
Current Assets				
Cash and cash equivalents.....	8,363,418	\$	1,573,650	\$
Accounts receivable, net.....	2,776,114		1,017,874	
Contributions receivable, net.	2,042,046		2,579,402	
Sponsorships receivable, net.	105,364		15,000	
Prepaid expenses.....	226,140		53,477	
Investments.....	534,546		486,211	
Total current assets.....	14,047,628		5,725,614	
Cash surrender value - life insurance.....	79,827		104,143	
Contributions receivable, net.	1,434,881		3,107,241	
Long-term prepaid expenses.....	17,000		566,615	
Intangible assets, net.....	5,800		8,200	
Property, plant and equipment, net.....	22,110,428		23,270,198	
Investment in subsidiary.....	73,961		377,732	
Total assets.....	37,769,525	\$	33,159,743	\$
LIABILITIES AND NET ASSETS				
Current Liabilities				
Line of credit.....	280,780	\$		
Accounts payable.....	3,070,716	\$	1,418,726	
Accrued expenses.....	824,902		35,692	
Deferred revenue.....	187,915		905,764	
Current portion of long-ter m debt.....	1,656,152		269,855	
Current portion of capital l eases.....	300,714		139,422	
Total current liabilities.....	6,040,399		3,050,239	
Long term liability.....	2,556,808		2,556,808	
Long-term debt, net of current portion.....	4,151,197		7,990,026	
Capital leases, net of current portion.....			348,885	
Total liabilities.....	12,748,404		13,945,958	
Net Assets				
Without donor restrictions.....	25,021,121		15,060,571	
With donor restrictions.....			4,153,214	
Total net assets	25,021,121		19,213,785	
Total liabilities and net assets	37,769,525	\$	33,159,743	\$

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
 (PARENT COMPANY ONLY)

STATEMENT OF ACTIVITIES

for the year ended December 31, 2021
 (with comparative totals for December 31, 2020)

See notes to financial statements.				
5 Net Assets	Net Assets			
Without Donor	With Donor	2021	2020	
Restrictions	Restrictions	Total	Total	
Public support				
Contributions.....	1,857,125 \$	1,857,125 \$	1,831,375 \$	
Sponsorships.....	626,895		626,895	672,500
Government grant - pa ycheck protection program.....	462,492	462,492	475,000	
Government grant - SVOG.....	5,842,438		5,842,438	
Total public support.....	8,788,950		8,788,950	2,978,875
Other revenues and gains				
Admissions.....	1,555,755	1,555,755	365,598	
Gift shop licensing fee.....	177,045	177,045	76,041	
Events.....	7,999,993	7,999,993	1,643,862	
Investment gain (loss), net.....	844	844	22,634	
Rental revenue.....	93,251	93,251	72,410	
Loss from subsidiary, equity me thod.....	(303,771)	(303,771)	(357,731)	
Other revenue.....	67,212	67,212	234,960	
Royalties.....	1,477,435	1,477,435		
Net assets released from restrictions.....	4,153,214	(4,153,214) \$		
Total other revenues and gain s.....	15,220,978	(4,153,214)	11,067,764	2,057,774
Expenses and losses				
Sales and marketing.....	1,502,419	1,502,419	1,331,418	
Events.....	5,764,537	5,764,537	1,433,653	
Building operations.....	2,639,580	2,639,580	2,367,098	
Museum and library operations..	449,907	449,907	346,164	
Philanthropy.....	58,991	58,991	111,739	
Fundraising.....	532,327		532,327	690,204
Management and general.....	3,101,617		3,101,617	1,823,217
Total expenses.....	14,049,378		14,049,378	8,103,493
Change in net assets	9,960,550	(4,153,214)	5,807,336	(3,066,844)
Net assets, beginning of year.....	15,060,571	4,153,214	19,213,785	22,280,629
Net assets, end of year.....	25,021,121 \$	\$	25,021,121\$	19,213,785\$

Operations

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

STATEMENTS OF CASH FLOWS

for the years ended December 31, 2021 and 2020

See notes to financial statements.		
8 2021 2020		
Cash flows from operating activities:		
Change in net assets.....	5,807,336	\$ (3,066,844) \$
Adjustments to reconcile the changes in net assets		
to net cash provided by (used in) operating activities		
Depreciation and amortization.....	1,675,519	1,481,936
Loss from subsidiary.....	303,771	357,731
Net realized and unrealized gains on investments.....	(15,263)	(72,685)
(Increase) decrease in operating assets:		
Accounts receivable.....	(1,758,240)	864,076
Contributions receivable.....	2,209,716	1,997,645
Sponsorships receivable.....	(90,364)	102,411
Prepaid expenses.....	376,952	65,516
Cash surrender value-life insurance.....	24,316	(28,946)
Increase (decrease) in operating liabilities:		
Accounts payable.....	1,651,990	(2,149,464)
Accrued expenses ..	789,210	(397,200)
Deferred revenue.....	(717,849)	614,767
Net cash provided by (used in) operating activities.....	10,257,094	(231,057)
Cash flows from investing activities:		
Change in investments, net.....	(33,072)	227,531
Purchases of equipment and intangibles.....	(513,349)	(6,125,233)
Net cash used in investing activities.....	(546,421)	(5,897,702)
Cash flows from financing activities:		
Repayments of long-term debt and capital lease obligations.....	(2,990,125)	(166,374)
Net change in line of credit.....	(280,780)	280,7 80
Proceeds from long-term debt and capital lease obligations.....	350,000	4,595,165
Net cash (used in) provided by financing activmties.....	(2,920,905)	4,709,571
Net change in cash.....	6,789 ,768	(1,419,188)
Cash and cash equivalents, beginning of year.....	1,573,650	2,992,838
Cash and cash equivalents, end of year.....	8,363,418 \$	1,573,650 \$
Supplemental disclosure of cash flow information		
Cash paid for interest.....	189,034 \$	72,435 \$
Non cash activities		

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS

9 1. Description of Organization

The Naismith Memorial Basketball Hall of Fame, Inc. ("Hall of Fame") is a not-for-profit organization formed under Internal Revenue Code Section 501(c)(3). It operates as a memorial to the originator of basketball and includes a Hall of Fame to honor basketball greats, a museum, and a library in Springfield, Massachusetts. Its wholly-owned for-profit subsidiary, Springfield Riverfront Development Corporation ("SRDC"), was incorporated to develop and manage the retail/entertainment complex on the Springfield Riverfront. Operations began in October 2002. The complex is intended to enhance the museum and attract additional visitors.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Hall of Fame as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restriction

Net assets that are not restricted by donors or the donor-imposed restrictions have expired. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law.

Net assets with donor restriction

Represent net assets which are subject to donor-imposed restrictions whose use is restricted by time and/or purpose. A portion of the Hall of Fame's net assets with donor restrictions are subject to donor-imposed restrictions that require the Hall of Fame to use or expend the gifts as specified, based on purpose or passage of time. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions. Another portion of net assets with donor restrictions stipulates that the corpus of the gifts be maintained in perpetuity. Generally, the donors of these assets permit the Hall of Fame to use all or part of the income earned on related investments for general or specific purposes.

10 Revenue Recognition

The Hall of Fame generally measur es revenue based on the amount of consideration the Hall of Fame expects to be entitled for the transfer of goods or se rvices to a customer, then recognizes this revenue when or as the Hall of Fame satisfies its pe rformance obligations under a contract, except in transactions where U.S. GAAP provi des other applicable guidance. Th e Hall of Fame evaluates its revenue contracts with customers (i.e. earned revenue) based on th e five-step model under Topic 606: (1) identify the contract with the customer; (2) iden tify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to separate performance obligations; and (5) recognize revenue when (or as) each performance obligation is satisfied.

Earned revenue is recognized as services/events are provided. Other income is recognized as it is earned.

Gains and losses on investments are reported as incr eases or decreases to net assets without donor restrictions unless their use is re stricted by donor-imyosed stipulati on or state law. As of December 31, 2021 and 2020, there were no restrict ions on investment income.

Contributions and Sponsorships

Contributions and sponsorships that are restricted by the donor are reported as increases in net assets without donor restrictio ns if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the repor ting period in which the revenue is recognized. Contributions of property and equipm ent are reported as net assets wi th donor restrictions if the donor restricted the use of the property or equipment to a particular program, as ar e contributions of cash restricted to the purchase of prope rty and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restriczed for pur chase of property and equi pment are considered to expire when the assets are placed in service. A ll other donor-restricted cont ributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassifi ed to net assets without donor restrictions and repor ted in the Statement of Activities as net assets released from restrictions.
Promises to Give

Conditional promises to give are not recognized in the financial st atements until th e conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year ar e recorded at net realizable valu e. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of thei r future cash flows. The discounts on t hose amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are rece ived. Amortization of the discounts is included in c ontribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

11 Refundable Advance – Paycheck Protection Program

The Hall of Fame accounts for loan s that meet the criteria to be fo rgiven as a government grant under ASC 958-605 “Revenue Recognition for Grants and C ontributions”. The proceeds received from these loans are recorded as a refundable advance and income is recorded as qualifie d expenses are incurred. The grant revenue is included in public support in the statem ent of activities.

Advertising

Advertisiqg costs are expensed as incurred. Th e total advertising costs charged to expense for December 31, 2021 was \$179,018 (\$31,140 - 2020).

Comparative Information

The statement of activities includes certain prior y ear summarized comparative information in total but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepte d accounting principles in the United States of America. Accordingly, such in formation should be re ad in conjunction with the Hall of Fame’s financial statements for the year ended Decem ber 31, 2020 from which the summarized information was derived.

Cash and Cash Equivalents

For the purpose of the statement of financial position and statements of cash flows, the Hall of Fame considers all highly liquid investme nts, including certificat es of deposits, to be cash equivalents. At certain times, the Hall of Fame has amounts on depos it with financial institutions in excess of the Federal Deposit Insurance Corporation (“FDIC”) insured limit. Deposits held in Massachusetts chartered banks are insured over the FDIC insurance limit in full through the Depositors Insurance Fund (“DIF”). Deposits held in Federal chartered ba nks are insured only to that allowed by the FDIC. The uninsured balance in excess of the FDIC limits and not covered by DIF at December 31, 2021 was approximately \$1,978,000.

Certificate of deposit totaling \$53,28 8 at December 31, 2021 is include d in cash and cash equivalents in the accompanying financial statem ents. The certificate bears in terest at 2.62%. There was a certificate of deposit totaling \$781,793 at December 31, 2020.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
 (PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

12 Accounts Receivable

The Hall of Fame extends unsecured credit to its customers in the ordinary course of business and records its receivable balance at the aggregate unpaid amount less an allowance for doubtful accounts. Interest does not accrue on any outstanding balances.

The Hall of Fame's method for estimating an allowance for doubtful accounts is based on an estimated loss rate applied to the outstanding balance and adjusted for judgmental factors including known and inherent risks in the underlying balances, adverse situations that may affect the customer's ability to pay and current economic conditions. For the Hall of Fame's accounts receivable, the allowance for doubtful accounts at December 31, 2021 and 2020 was \$1,988. Accounts are continuously reviewed and written off only when all collection means have been exhausted.

Rental Revenue

The Hall of Fame rents space in the building for guests to hold various social and business events. Guests enter into an agreement and pay a deposit in order to reserve the space. Deposits received for events to be held subsequent to year-end are included in deferred revenue. The agreements are cancelable; however, deposits are non-refundable. Revenue from facility rental is recognized when the event is held and deposits on cancellations are recognized when notified by the guest of the cancellation.

Investments

Investments are stated at fair value as determined using quoted market values. Investments received as gifts are recorded at fair value as of the date of the gift. Realized gains or losses are computed using the average cost method. Investment securities are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of the investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the statement of financial position and the statement of activities.

Intangible Assets

Intangible assets with a definite life are recorded at cost and are amortized over their useful lives using the straight line method. Intangible assets with an indefinite life consisting of the Hall of Fame marketing rights are reviewed annually for impairment. Management has not identified any impairment.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

13 Property, Plant and Equipment

Property, plant and equipment are stated at cost or, if donated, at the fair value at the date of donation. Depreciation is charged to expense over the estimated useful lives of the assets using the straight-line method. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from their respective accounts and the resulting gain or loss is included in changes in net assets. Maintenance and repairs are charged to expense as incurred. Cost of assets sold or retained and the related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal and any resulting gain or loss is charged to income. It is the Hall of Fame's policy to capitalize depreciable asset additions and major renewals whose acquisition costs are in excess of \$1,000.

Museum Collections

The Hall of Fame collects sports memorabilia, library materials and similar assets of basketball related nature. These collections are maintained for public exhibition, education and research purposes in accordance with the practices allowed to museums under generally accepted accounting principles in the United States of America, the Hall of Fame has elected not to capitalize its collection items and does not record gifts of collection items as revenues in the financial statements. Collections acquired by purchase are expensed in the period acquired. Contributed works of art that do not meet the Hall of Fame's definition of collection items are recorded as a component of property, plant and equipment. Purchases of collection items are recorded as decreases in net assets without donor restrictions if purchased with assets without donor restrictions and as decreases in net assets with donor restrictions if purchased with donor-restricted assets. Contributions of collection items are not recognized in the Statement of Activities. Proceeds from deaccessions or insurance recoveries are reflected on the Statement of Activities based on the absence or existence and nature of donor-imposed restrictions. Contributed works of art that do not meet the Hall of Fame's definition of collection items are recorded as a component of property, plant and equipment.

Underwater Endowment Funds

The Hall of Fame considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Hall of Fame complies with the MA-UPMIFA, an enacted version of UPMIFA, and has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. The Hall of Fame has no underwater endowment funds at December 31, 2021 and 2020.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

14 Endowment

The Hall of Fame’s endowment consists of funds w ith donor restrictions to function as endowments. Net assets associated with endow ment funds are classified and re ported based on the existence or absence of donor-imposed stipulations. In July 2009, Massachusetts enac ted the Uniform Prudent Manageme nt of Institutional Funds Act (“UPMIFA”) which serves as a model act for st ates to modernize thei r laws governing donor restricted endowment funds . The Board of Trustees of the Hall of Fame has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Hall of Fame classifies as donor restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subs equent gifts to the perma endowment, (c) accumulations to the permanent endowme nt made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The donor-restricted endowment fund is classified as such until those amounts are appr opriated for expenditure by the Hall of Fame in a manner consistent with the standard of pruden ce prescribed by UPMIFA. There were no endowments at December 31, 2021 and 2020.

Functional Allocation of Expenses
The cost of performing various ac tivities has been summarized on a functional basis in the statement of activities. The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported within that functional area. Indirect expenses that benefit multiple functional areas have been allocated by the Hall of Fame based upon a standard percentage.

Use of Estimates

The preparation of financial statem ents in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure s of contingent assets a nd liabilities at the date of the financial statements and the reported amount s of revenues and expenses during the reporting period. Actual results could differ from t hose estimates.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

15 Income Tax Status

The Naismith Memorial Basketball Hall of Fame, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, net income from certain activities not directly related to the Hall of Fame's purpose is subject to taxation as unrelated business income. Taxes related to these activities were not significant for the years ended December 31, 2021 or 2020. The Hall of Fame evaluates all tax positions as required by generally accepted accounting principles in the United States of America. As of December 31, 2021, the Hall of Fame does not believe it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Hall of Fame's tax returns are subject to review and examination by federal and state authorities. Tax returns for the years ended December 31, 2020, 2019 and 2018 are open for examination by federal and state authorities.

3. Contributions Receivable

Contributions receivable consist of the following at December 31,

2021	2020
Receivable within one year	2,042,046 \$ 2,579,402 \$
Receivable between one and five years	1,968,838 3,484,250
Receivable between five and ten years	135,058 128,509
	4,145,942 6,192,161
Less allowance for uncollectible contributions	650,000 400,000
Less discount to present value	19,015 105,518
Net contributions receivable	3,476,927 \$ 5,686,643 \$

4. Sponsorships Receivable

Sponsorships receivable consist of the following at December 31,

2021	2020
Receivable within one year	105,364 \$ 15,000 \$

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
 (PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

16 5. Intangible Assets

Intangible assets consist of the following at December 31,

Trademark and logo development	137,911 \$	137,911 \$
Less accumulated amortization	132,111	129,711
Amortizable intangible assets, net	5,800 \$	8,200 \$

Amortization expense for the year ended December 31, 20 21 was \$2,400 (2020 - \$19,400). Annual amortization expense for the next three y ears is estimated to be as follows:

2022	2,400 \$
2023	1,700
2024	1,700
5,800	\$

6. Investments

The fair value of investments was as follows at December 31,

Cash and cash equivalents	9,425 \$	147,417 \$
U.S. common stocks	1,469	1,583
U.S. mutual funds	266,741	255,194
Fixed income securities	256,911	82,017
534,546 \$	486,211 \$	

7. Deferred Revenue

Deferred revenue represents reve nues collected but not earned. As of December 31, 2021 deferred revenue was \$187,915, all of which is considered current (\$905,764 - 2020).

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

17 8. Property, Plant and Equipment

Property and equipment consisted of the following at December 31,

2021	2020
Leasehold improvements	26,025,057 \$ 25,389,345 \$
Furniture and fixtures	494,838 494,838
Computer equipment	7,449,910 7,036,210
Computer software	26,268
	26,268
	33,996,073 32,946,661
Less accumulated depreciation	11,885,645 10,212,526
	22,110,428 22,734,135
Construction in progresb	536,063
	22,110,428\$ 23,270,198\$

Depreciation expense for the year ended December 31, 2021 was \$1,673,119 (\$1,462,536- 2020).

9. Line of Credit

The Hall of Fame entered into a line of credit agreement with a local bank. The line of credit provides for borrowings up to \$350,000. Borrowings under the line of cr edit accrue interest at the bank’s base rate plus 1.0% but no less than 4.25%. The line of credit is cross defaulted/collaterali zed with the bank’s term loan and secured by all assets of the Hall of Fame . There were no borrowings on the line of credit at December 31, 2021. The outstanding ba lance at December 31, 2020 was \$280,780.

10. Non-Revolving Line of Credit

The Hall of Fame entered into a non-revolving line of credit agreement with a local bank in November 2019 with the purpose of providing f unds for the on-going ca pitac improvement projects underway. The line provides borrowings up to \$6,100,000 thro ughout the course of the next f our years, or until the line of credit reaches maturity in Nove mber 2023. Throughout the draw period the Hall of Fame will only be responsible for interest payments , charged at the highest Prime ra te as published by the Wall Street Journal plus one half percent. On or after the maturity date, a balloon payment of all outstanding principal and interest will be due and payabl e in full. The balance of this non- revolving line of credit as of December 31, 2021 and 2020 is \$3,651,197 and \$6,100,000, respectively. The balance is included in long term debt on the statement of net assets at December 31, 2021 and 2020.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

18 11. Long-Term Debt

Long-term debt as of December 31 is as follows:

2021 2020
Term note with a local bank. Monthly paymevts of \$28,424, including interest charged at 4%, calculated based upon a ten year amortization schedule through February 2022, at which point principal payments will be calcula ted based upon a five year amortization schedule, with varying interest rates. All unpaid principal and interest due January 2027. The note is secured by all assets of the Hall of Fame. In March 2022, this note has been paid in full. As such, the entire balance has been recorded as current as of December 31, 2021. 1,656,152 \$ 2,009,881 \$
In 2020, the Hall of Fame received the Economic Injury Disaster Loan from the U.S. Small Business Administration (SBA) in the amount of \$150,000. In 2021, the Hall of Fame received another loan from SBA in the amount of \$350,000. The loan will be payable over 30 years, beginning July 2023, monthly payments of principal and interest in the amount of \$2,207 are due, interest is charged at 2.75%. 500,000 150,000
2,156,152 2,159,881
Less current portion 1,656,152 269,855
500,000 \$ 1,890,026 \$

Scheduled principal payments of notes payable at December 31, are as follows:

2022 1,656,152 \$
2023 20,116
2024 26,484
2025 26,484
2026 26,484
Thereafter 400,432
2,156,152 \$

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

19 12. Forgivable Loan Received Under the Small Business Administration Paycheck Protection Program

In response to the COVID-19 pandemic in 2020, the U.S. Federal Government enacted the Coronavirus Aid, Relief, and Economic Security Act that, among other economic stimulus measures, established the Paycheck Protection Program (PPP) to provide small business loans. In April 2020, the Hall of Fame was granted a PPP loan in the amount of \$475,000. The PPP loan contained conditions to maintain employment levels and use the funds for certain payroll, rent and utility expenses. The Hall of Fame used all of the loan proceeds for qualifying expenses, and as such, the full amount of the loan was recorded in the statement of activities as grant revenue as of December 31, 2020. On January 6, 2021, the full amount of the loan was forgiven by the SBA. In February 2021, Hall of Fame received another PPP loan in the amount of \$462,492. This amount has been included in the statement of activities as grant revenue as of December 31, 2021. The full amount of this PPP loan was forgiven by the SBA in October 2021.

13. Net Assets

The Hall of Fame's net assets without donor restrictions are comprised of Board-designated and operating amounts, as follows at December 31,

2021	2020
Operating	25,021,121 \$
Board-designated	15,060,571 \$
25,021,121 \$	15,060,571 \$

Operating funds: All revenue received and all expenses for general operations are presented in this subgroup. These are the funds that are part of the budget approved by the Board of Trustees and managed by departments across the Hall of Fame. Unlike restricted funds, these areas are directly influenced by institutional policy and management decisions and therefore can be budgeted closely. Board-designated funds: Designated funds include gifts and quasi-endowments for specific purposes designated by Trustees. The Hall of Fame's board has designated funds be set aside for the purpose of securing the Hall of Fame's long-term financial viability and continuing to meet the needs of the Hall of Fame. There were no Board-designated funds at December 31, 2021 or 2020. The Hall of Fame's net assets with donor restrictions at December 31, 2020 was available for expenditure for the specified purpose of capital expenditures related to the rebuild of the Museum. There were no net assets with donor restrictions at December 31, 2021.

20 14. Fair Value Measurements

Financial Accounting Standards Board (FASB) A ccounting Standards Codifi cation (ASC) 820, Fair Value Measurements and Disclosures, provides a fra mework for reporting fair value. The framework provides a fair value hierar chy that prioritizes the inputs to valu ation techniques used to measure fair value. The hierarchy gi ves the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (lev el 1 measurements) and the lowest priority to unobse rvable inputs (level 3 measurements). The three levels of th e fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quo ted prices for identical assets or liabilities in active markets that th e Hall of Fame has the ability to access.

Level 2 Inputs to the valu ation methodology include:

□ Quoted prices for similar assets or liabilities in active markets;

□ Quoted prices for identical or similar assets or liabil ities in inactive markets;

□ Inputs other than quoted pri ces that are observable fo r the asset or liability;

□ Inputs that are derived prin cipally from or corroborat ed by observable market data by correlation or other means.

If the asset or liability has a specified (cont ractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation me thodology are unobservable an d significant to the fair value measurement.

The asset or liability's fair value measurement leve l within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of obs ervable inputs and minimize th e use of unobservable inputs.

The following are descriptions of th e valuation methodologies used for a ssets measured at fair value. There have been no changes in the met hodologies used at December 31, 2021or 2020.

Common stocks and fixed income accounts: Valued at the closing pr ice reported on the active market on which the individua l securities are traded.

Cash and cash equivalents: All highly liquid investments with ma turities of thr ee months or less and certificates of deposit.

Mutual funds: Valued at the net asset value (NAV) of sh ares held by the Hall of Fame at year end.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
 (PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

21 Fair Value Measurements, Continued

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Hall of Fame believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Hall of Fame's assets at fair value as of December 31,

Description	Level 1	Level 2	Level 3	2021
Cash and cash equivalents	62,713	\$	62,713	\$
Balanced mutual funds	266,741		266,741	
Fixed income securities	256,911		256,911	
Equities	1,469			1,469
	587,834	\$	587,834	\$
Description	Level 1	Level 2	Level 3	2020
Cash and cash equivalents	929,210	\$	929,210	\$
Balanced mutual funds	255,194		255,194	
Fixed income securities	82,017		82,017	
Equities	1,583			1,583
	1,268,004	\$	1,268,004	\$

15. Retirement Plan

The Hall of Fame has a qualified 403(b) defined contribution plan for all employees who have completed one year of service and have attained age 21. Participants may make voluntary contributions to the plan, not to exceed the limitations prescribed by the Internal Revenue Code. The Hall of Fame will match up to 3% of a participant's deferred compensation, as defined by the Plan. The Hall of Fame contributed \$49,288 to this plan for the year ended December 31, 2021 (2020 - \$58,466).

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

22 16. Leases

Capital Leases

The Hall of Fame leased certain furniture and equipment under capital leases. Property, plant and equipment, net at December 31, 2021 includes \$135,700 related to these capital leases (\$233,900 - 2020). The balance on the capital lease payable at December 31, 2021 and 2020 was \$300,714 and \$488,307 (current \$139,422, long-term \$348,885), respectively. On February 16, 2022, these leases were paid in full and as such the entire balance at December 31, 2021 has been recorded as current in the statement of financial position.

Operating Leases

The Hall of Fame leases space to manage and operate a retail store. The lessee will pay a minimum of \$190,000 annually with additional amounts based on gross receipts from the retail store and common area charges. For the year ended December 31, 2021 the Hall of Fame received \$177,045 (\$76,041 - 2020).

17. Riverfront Development Project Lease

The Hall of Fame, in conjunction with the City of Springfield ("City"), constructed the new Naismith Memorial Basketball Hall of Fame (the "New Location"). This project was part of the redevelopment of an 18-acre riverfront site. On October 1, 2002, the Hall of Fame began operating at the New Location. The lease has an initial 30 year term with various options to extend up to 99 years. The agreement was amended in 2013 to include annual rent payments of \$25,000. The HOF will provide admission tickets to local school students and other services. As of December 31, 2021 or 2020, there was no outstanding liability for payments due in connection with the original agreement.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

23 18. Related Party Transactions

Certain members of the Hall of Fame Board of Trustees are also executives at NBA Properties, Inc. NBA Properties has at times provided certain consulting and representation services to the Hall of Fame. There were no outstanding amounts due for such services as of December 31, 2021 or 2020.

A contract entitles NBA Properties to at least six representatives on both the Hall of Fame's Board of Trustees and Board of Governors, as well as four members on the Hall of Fame's Executive Committee. This agreement also grants NBA Properties certain marketing rights.

The Hall of Fame rents certain real estate from its subsidiary under an agreement, expiring 2027, which also calls for the reimbursement of certain common area maintenance charges. The total amounts paid under this agreement for the years ended December 31 were as follows:

2021	2020
Rental expense	12,012 \$ 12,012 \$
Utilities, water and sewer, real estate taxes and CAM	355,682 303,609
367,694 \$	315,621 \$

Amounts due to the subsidiary were included in accounts payable at December 31, 2021 and amounted to \$207,281 (\$213,051 – 2020). Future minimum lease payments under the lease for the next five years and thereafter are expected to be \$1 per month.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

24 19. Liquidity and Avail ability of Resources

The Hall of Fame’s financial assets available for ge neral expenditures within one year of the statement of financial position are as follows at December 31,

2021	2020
Cash and cash equivalents	8,363,418 \$ 1,573,650 \$
Contributions and sponsorslips receivable	2,147,410 2,594,402
Fccounts receivable	2,776,114 1,017,874
Investments	534,546 486,211
Total financial assets available within one year	13,821,488 5,672,137
Less:	
Contractual, legal, or donor-imposed restrictions:	
Amounts subject to expenditure for specified purposes	1,045,973
Total amounts unavailable for general expenditures within one year	1,045,973
Board designations:	
Funds functioning as endowments	
Total amounts unavailable to management without Board approval	
Total financial assets available within on e year after Board designations	13,821,488 \$ 4,626,164 \$
The Hall of Fame is primarily supported by contribu tions (both with and wit hout donor restrictions), sponsorships, and admissions revenues. Because donor restrictions require resources to be used in a particular manner or in future periods, the Hall of Fame maintains sufficient resources to meet those responsibilities to its donors. T hus, financial assets may not be available for general expenditure within one year. As part of the Hall of Fame’s liquidity management, it ha s a policy to structure its financial assets to be available as its general opera tions, liabilities, and other obligations require. In addition, the Hall of Fame invests cash in excess of daily requirements in shor t-term investments. From time to time, the Board designates a portion of any operating surplus for particular or future uses. In the event of financial di strebs or an immediate liquidity n eed resulting from events out of the control of the Hall of Fame, the Board may draw upon these Board-designated funds. The Hall of Fame could also draw an additional \$350,000 on its line of credit (as further discussed in Note 9), and an additional \$2,448,803 can be draw n on the non-revolving line of cred it (see Note 10) to meet the needs of the Hall of Fame. A portion of the amounts subject to ex penditrrres for specified purposes.	

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO FINANCIAL STATEMENTS - Continued

25 20. Investment in Subsidiary

The Hall of Fame accounts for its investment in SR DC, a wholly-owned subsidiary, using the equity method. However, generally accepted accounting principles in the United States of America require that all wholly-owned subsidiaries be accounted for as consolidated subsidiaries. If the financial statements of SRDC had been consolidated with those of the Hall of Fame, as of December 31, 2021 total assets and liabilities would be increased by \$7,155,810 (\$7,128,980 - 2020), total net assets would not change, and revenues and expenses would be increased by \$1,516,170, respectively, for the year then ended (\$1,462,575 - 2020).

21. Subsequent Events

The Company has evaluated subsequent events through August 15, 2022, which is the date the financial statements were available to be issued.

- 1) On February 16, 2022, all capital lease balances at December 31, 2021 of \$300,714 were paid in full.
- 2) On February 19, 2022, the HOF received an additional Disaster loan from the SBA in the amount of \$1.5 million.
- 3) In March 2022, the HOF paid in full the \$1,656,152 term note as listed in Note 11.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

SCHEDULE OF EXPENDIZURES OF FEDERAL AWARDS

for the year ended December 31, 2021

See notes to schedule of expenditures of federal awards

26 Federal				
Federal Grantor/ Assistance Total				
Pass-Through Grantor/ Listing Pass-Through Entity Federal				
Program or Cluster Title Number Identifying Number Expenditures				
Small Business Administration				
Direct Program:				
COVID 19 - Shuttered Venue Operators Grant.....	59.075	N/A	5,842,438	\$
COVID 19 - Disaster Assistance Loans.....	59.008	N/A	350,000	
Total Direct Programs.....			6,192,438	
Total Small Business Administration.....			6,192,438	
Total Expenditures of Federal Awards.....			6,192,438	\$

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

for the year ended December 31, 2021

27

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Naismith Memorial Basketball Hall of Fame, Inc. ("Hall of Fame") under program federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of operations of Hall of Fame it is not intended to and does not present the financial position, changes in net assets, or cash flows of Hall of Fame.

2. Summary of Significant Accounting Policies

Pass-Through State Agencies
Expenditures of federal awards for funds passed-through state agencies is based on information provided by the Commonwealth of Massachusetts Operational Services Division.
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

Hall of Fame has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

4. Sub recipients

There were no awards passed through to sub recipients.

NAISMITH MEMORIAL BASKETBALL HALL OF FAME, INC.
(PARENT COMPANY ONLY)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

for the year ended December 31, 2021

33 SUMMARY OF AUDITORS' RESULTS

- 1. The auditors' report expresses an unmodified opinion on whether the financial statements of Hall of Fame were prepared in accordance with GAAP.
- 2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. No material weaknesses are reported.
- 3. No instances of noncompliance material to the financial statements of Hall of Fame which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
- 4. No significant deficiencies in internal control over major federal award programs were reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance. No material weaknesses are reported.
- 5. The Auditors' report on compliance for major federal award programs for Hall of Fame expresses an unmodified opinion on the major federal program.
- 6. There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
- 7. The program tested as a major program was Shuttered Venue Operators Grant #59.075.
- 8. The threshold used for distinguishing between Type A and B programs was \$750,000.
- 9. Hall of Fame was determined to not be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENT AUDIT
None FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None