

NATIONAL FOOTBALL ASSOCIATION

SUMMARY OF 2003 RULES CHANGES

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INTRODUCTION

The National Football Association (NFA) continues its strong run, soon to begin its eighth season, in 2003. In that time, there have been exciting playoff races and surprising championship results. And, with a similarity paralleling the National Football League (NFL), the NFA keeps reaping the fruits of parity, resulting in six different champions over the League's seven-year history.

So, given how exciting the 2002 season was, the NFA is committed to furthering this and looking to make some changes to spark even more enthusiasm and excitement in future seasons. To this end, the NFA is making some changes to the existing rules. This document represents this summary for rules changes. If you have any questions about this document or would like to discuss any item detailed in this document further, please feel free to contact the Commissioner.

EXECUTIVE SUMMARY OF CHANGES

The rules changes involve the salary cap violations, player salary calculations, personnel transactions, and injured reserve. The changes are:

- 1) A penalty to be assessed for a violation of the roster salary
 - 2) Rounding of player salaries
 - 3) An extension of the personnel transaction deadline
 - 4) An increase in the number of personnel transactions
 - 5) One injured reserve (IR) spot for player allocation
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DETAILS OF RULE CHANGES

ROSTER SALARY VIOLATION

If a franchise violates either the salary floor or salary cap at any point throughout the NFA season, beginning with the Draft and ending with the NFA Bowl, the League Office will impose a penalty of a subtraction of a personnel transaction (i.e., an add/drop). In addition, a processing fee for the correction to the salary violation will be assessed at a \$10 rate.

During the NFA Draft in 2002, 40% of the owners violated the salary cap, which necessitated that a Supplemental Draft be run in order to correct the violations. The intent of this penalty is to discourage, if not eliminate, all salary violations.

ROUNDING OF PLAYER SALARIES

When calculated, player salaries will be rounded to the nearest \$100, following normal mathematical rounding conventions. This will eliminate unusual salary amounts throughout the course of a season.

EXTENSION OF THE PERSONNEL TRANSACTION DEADLINE

The Personnel Transaction Deadline will be extended from the Wednesday after Week 8 of the NFA season to the Wednesday after Week 10 of the NFA season.

NUMBER OF PERSONNEL TRANSACTIONS

The number of add/drops for a franchise during the regular season will be increased from five (5) to six (6). The processing fee involved for the first five add/drops will remain as \$5, but the fee for the sixth add/drop will be set at \$10.

INJURED RESERVE

Injuries are a normal part of the NFL and NFA seasons. In order to alleviate the burden of using personnel transactions to offset season-ending injuries to key players, an injured reserve spot has been created. A franchise can place a player incurring a season-ending injury on injured reserve with no impact on the number of personnel transactions (add/drops) for that year. In addition, the franchise must acquire a new player to replace the injured player. But, in so doing, the franchise will only be allowed to spend 50% of the injured player's salary on the acquisition of a new player; the remaining 50% of the injured player's salary will still count against the franchise's overall roster salary for that given year.

For example, Franchise Y has Miami Dolphins' wide receiver Oronde Gadsden on its roster. Gadsden's 2002 NFA salary is \$5,117,739. After Week 7, Franchise Y placed him on injured reserve due to season-ending wrist surgery. In so doing, Franchise Y cleared \$2,558,870 from its overall roster salary in order to acquire a new player to replace Gadsden. The remainder of the Gadsden's salary (\$2,558,869) counts as "dead money" against Franchise Y's overall roster salary.

This option can only be used if the player is allocated to injured reserve in the NFL. If a franchise submits an injured reserve allocation request, that franchise must also provide proof that the player has been allocated to injured reserve in the NFL.

Also, a processing fee of \$10 will be assessed for the entire transaction. The injured reserve option is available to the franchises through Week 12 of the NFA season.

Because 50% of the player's salary counts against a franchise's overall roster salary, that player remains on the franchise's roster but does not count against the overall roster as far as compliance with the Team Integrity Rule.

CONCLUSION

The NFA is committed to making its game more exciting for its franchise owners. Changes to its rules represent the vehicle in which to spark more enthusiasm and excitement in future seasons. To this end, the NFA is making some changes to the existing rules. This document represents this summary of rules changes. If you have any questions about this summary or would like to discuss any item detailed in this document further or if you would like to make any suggestions, please feel free to contact the Commissioner.