# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2010**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

**A** This return/report is for:
- ☐ a multiemployer plan;
- ☐ a multiple-employer plan; or
- ☒ a single-employer plan;
- ☐ a DFE (specify) ____

**B** This return/report is:
- ☐ the first return/report;
- ☐ the final return/report;
- ☐ an amended return/report;
- ☐ a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

**D** Check box if filing under:
- ☐ Form 5558;
- ☐ automatic extension;
- ☐ the DFVC program;
- ☐ special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
DALLAS BASKETBALL LIMITED 401 (K) PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 08/01/1994

**2a** Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
DALLAS BASKETBALL LIMITEDD.B.A.
DALLAS MAVERICKS

2909 TAYLOR STREET
DALLAS, TX 75226

2909 TAYLOR STREET
DALLAS, TX 75226

**2b** Employer Identification Number (EIN)
75-2667844

**2c** Sponsor's telephone number
214-658-7186

**2d** Business code (see instructions)
711210

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 01/13/2012 | FLOYD JAHNER |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")
DALLAS BASKETBALL LIMITEDD.B.A.

2909 TAYLOR STREET
DALLAS, TX 75226

**3b** Administrator's EIN
75-2667844

**3c** Administrator's telephone number
214-658-7186

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 151 |
| **6** | Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**). | | |
| **a** | Active participants | **6a** | 157 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 10 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 167 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 167 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 91 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 1 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | X | **R** (Retirement Plan Information) |
| **(2)** | | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | | |
|---|---|---|---|
| **(1)** | X | | **H** (Financial Information) |
| **(2)** | | | **I** (Financial Information – Small Plan) |
| **(3)** | | ___ | **A** (Insurance Information) |
| **(4)** | X | | **C** (Service Provider Information) |
| **(5)** | | | **D** (DFE/Participating Plan Information) |
| **(6)** | | | **G** (Financial Transaction Schedules) |

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2010**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

**A** Name of plan
DALLAS BASKETBALL LIMITED 401 (K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
DALLAS BASKETBALL LIMITEDD.B.A.

**D** Employer Identification Number (EIN)
75-2667844

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIDELITY INV.INST.OPS. CO.

04-2647786

**(b)** Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTION

04-2647786

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 64 37 65 60 | RECORDKEEPER | 350 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

SIGNATOR INVESTORS

197 CLARENDON ST #C-8-07
BOSTON, MA 02116

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 61 | ADVISOR | 0 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| DREFUS OP MIDCAO VAL A DREFUS<br><br>13-5672135 | 35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| DREYFUS S&P 500 INDEX-DREYFUS<br><br>13-5673135 | 15% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| HEARTLAND VALUE INV ALPS FUND<br><br>20-3247785 | 25% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMNETS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| IVK AMER FRANCHISE A INVESCO | 35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JANUS ENTERPRISES JANUS SEP<br><br>43-1804048 | 25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| OPPHMR MS SM & MD CP A OPPENHEIMER P.O. BOX 5270<br>COLORADO, CO 80217 | 25% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| SIGNATOR INVESTORS | 61 | 0 |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| OPPHMR MS SM & MD CP A OPPENHEIMER<br><br>13-2953455 | $5M=0.25% | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN; |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN; |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2010**

**This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

**A** Name of plan
DALLAS BASKETBALL LIMITED 401 (K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
DALLAS BASKETBALL LIMITEDD.B.A.

**D** Employer Identification Number (EIN)
75-2667844

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 0 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 126456 | 1980 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 120282 | 99926 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 0 | 0 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 0 | 0 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 6647030 | 9288234 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | 0 | 0 |
| **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 6893768 | 9390140 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | 0 | 0 |
| **h** Operating payables | 1h | 0 | 0 |
| **i** Acquisition indebtedness | 1i | 0 | 0 |
| **j** Other liabilities | 1j | 0 | 0 |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 6893768 | 9390140 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 96515 | |
| **(B)** Participants | 2a(1)(B) | 616703 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 288 | |
| **(2)** Noncash contributions | 2a(2) | 0 | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 713506 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 1 | |
| **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| **(E)** Participant loans | 2b(1)(E) | 7802 | |
| **(F)** Other | 2b(1)(F) | 0 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 7803 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| **(B)** Common stock | 2b(2)(B) | 0 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 104800 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 104800 |
| **(3)** Rents | 2b(3) | | 0 |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |

| | | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **2b** | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | **2b(5)(A)** | 0 | |
| | **(B)** Other | **2b(5)(B)** | 0 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | **2b(5)(C)** | | 0 |
| | **(6)** Net investment gain (loss) from common/collective trusts | **2b(6)** | | 0 |
| | **(7)** Net investment gain (loss) from pooled separate accounts | **2b(7)** | | 0 |
| | **(8)** Net investment gain (loss) from master trust investment accounts | **2b(8)** | | 0 |
| | **(9)** Net investment gain (loss) from 103-12 investment entities | **2b(9)** | | 0 |
| | **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | **2b(10)** | | 1986718 |
| **c** | Other income | **2c** | | 0 |
| **d** | Total income. Add all **income** amounts in column (b) and enter total | **2d** | | 2812827 |
| | **Expenses** | | | |
| **e** | Benefit payment and payments to provide benefits: | | | |
| | **(1)** Directly to participants or beneficiaries, including direct rollovers | **2e(1)** | 316105 | |
| | **(2)** To insurance carriers for the provision of benefits | **2e(2)** | 0 | |
| | **(3)** Other | **2e(3)** | 0 | |
| | **(4)** Total benefit payments. Add lines **2e(1)** through **(3)** | **2e(4)** | | 316105 |
| **f** | Corrective distributions (see instructions) | **2f** | | 0 |
| **g** | Certain deemed distributions of participant loans (see instructions) | **2g** | | 0 |
| **h** | Interest expense | **2h** | | 0 |
| **i** | Administrative expenses: **(1)** Professional fees | **2i(1)** | 0 | |
| | **(2)** Contract administrator fees | **2i(2)** | 0 | |
| | **(3)** Investment advisory and management fees | **2i(3)** | 0 | |
| | **(4)** Other | **2i(4)** | 350 | |
| | **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | **2i(5)** | | 350 |
| **j** | Total expenses. Add all **expense** amounts in column (b) and enter total | **2j** | | 316455 |
| | **Net Income and Reconciliation** | | | |
| **k** | Net income (loss). Subtract line **2j** from line **2d** | **2k** | | 2496372 |
| **l** | Transfers of assets: | | | |
| | **(1)** To this plan | **2l(1)** | | 0 |
| | **(2)** From this plan | **2l(2)** | | 0 |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: NICHOLAS & MONTGOMERY LLP **(2)** EIN: 75-2852438

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| **e** | Was this plan covered by a fidelity bond? | 4e | X | | 1000000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | X | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2010**

**This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

**A** Name of plan
DALLAS BASKETBALL LIMITED 401 (K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
DALLAS BASKETBALL LIMITEDD.B.A.

**D** Employer Identification Number (EIN)
75-2667844

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete items (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

# DALLAS BASKETBALL LIMITED 401(k) PLAN

**Financial Statements**
**and**
**Supplemental Schedule**

**June 30, 2011 and 2010**

**With Independent Auditors' Report**

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**Table of Contents**
**June 30, 2011 and 2010**


| | Pages |
|---|---|
| **Independent Auditors' Report** | 1 |
| **Financial Statements:** | |
| Statements of Net Assets Available for Benefits – June 30, 2011 and 2010 | 2 |
| Statements of Changes in Net Assets Available for Benefits – Years ended June 30, 2011 and 2010 | 3 |
| Notes to Financial Statements – June 30, 2011 and 2010 | 4-9 |
| **Supplemental Schedule:** | |
| Schedule H, Part IV, Item 4i – Schedule of Assets Held at End of Year – June 30, 2011 | 11 |

NICHOLAS & MONTGOMERY LLP
Certified Public Accountants and Consultants

12720 HILLCREST ROAD • SUITE 800 • DALLAS, TX 75230-2081
214-739-0888 • FAX 214-369-4816 • www.nmllp.com

PARTNERS

CATHERINE L. BARD
STEPHEN J. FLANAGAN
SAMUEL T. MONTGOMERY III
KELLY M. MORGAN

KENNETH R. NICHOLAS
(1942-2003)

## Independent Auditors' Report

The Participants and Administrator
Dallas Basketball Limited 401(k) Plan

We were engaged to audit the financial statements of Dallas Basketball Limited 401(k) Plan (the Plan) as of June 30, 2011 and 2010, and for the years then ended, and the supplemental schedule as of June 30, 2011, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from Fidelity Management Trust Company as of and for the years ended June 30, 2011 and 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Nicholas & Montgomery LLP

December 27, 2011

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**Statements of Net Assets Available for Benefits**
**June 30, 2011 and 2010**

| | 2011 | 2010 |
|---|---|---|
| Assets: | | |
| Investments at fair value – mutual funds | $ 9,290,214 | $ 6,773,487 |
| Notes receivable from participants | 99,926 | 120,282 |
| Contributions receivable: | | |
| Employer's contributions | 22,873 | - |
| Participants' contributions | 106,652 | - |
| **Net assets available for benefits** | **$ 9,519,665** | **$ 6,893,769** |

The accompanying notes are an integral part of the financial statements.

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**Statements of Changes in Net Assets Available for Benefits**
**Years ended June 30, 2011 and 2010**

| | 2011 | 2010 |
|---|---|---|
| Additions to net assets attributed to: | | |
| Investment income: | | |
| Net appreciation in fair value of investments | $ 1,986,718 | $ 869,803 |
| Interest and dividends | 112,602 | 93,672 |
| **Total investment income** | **2,099,320** | **963,475** |
| Contributions: | | |
| Employer's matching | 119,388 | 2 |
| Participants' deferral | 723,355 | 615,337 |
| Participants' rollover | 288 | - |
| **Total contributions** | **843,031** | **615,339** |
| **Total additions to net assets** | **2,942,351** | **1,578,814** |
| Deductions from net assets attributed to: | | |
| Participants' benefits | 316,105 | 429,978 |
| Administrative expenses | 350 | 706 |
| **Total deductions from net assets** | **316,455** | **430,684** |
| **Net increase in plan assets** | **2,625,896** | **1,148,130** |
| **Net assets available for benefits:** | | |
| **Beginning of year** | **6,893,769** | **5,745,639** |
| **End of year** | $ **9,519,665** | $ **6,893,769** |

The accompanying notes are an integral part of the financial statements.

## (1) Plan Description

The following description of the Dallas Basketball Limited 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of Plan provisions. The Plan agreement is controlling at all times.

### *General Information*

The Plan, a defined contribution plan of Dallas Basketball Limited d.b.a. Dallas Mavericks (the Sponsor), was established effective August 1, 1994 and covers all employees of the Sponsor who have met the Plan's eligibility requirements as outlined in the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

During fiscal 2011 and 2010, Fidelity Management Trust Company (the Trustee) was the trustee and recordkeeper of the Plan. Trustee fees charged for services directly for participants are paid from the respective participants' accounts. The Sponsor pays other Plan expenses.

### *Entry Date*

Employees become eligible to participate in the Plan on the first day of the month following the date on which they complete three months of service.

### *Contributions*

Eligible employees may participate in the Plan by electing to reduce their compensation and contributing to the Plan generally up to 60 percent of their total eligible compensation. In addition, a participant, with the Plan administrator's written consent, may contribute a rollover contribution from another qualified plan.

The employer may make matching and/or discretionary profit sharing contributions. During fiscal 2010 the employer did not match any participants' salary deferrals to the Plan. During fiscal 2011 the employer matched 25 percent of the first six percent of each participant's salary deferral. There were no discretionary contributions in fiscal 2011 or 2010. Contributions are subject to certain limitations as defined in the Plan and as set forth in the Internal Revenue Code.

### *Participant Accounts*

Each participant's account is credited with the participant's contributions, the participant's rollover amounts from prior qualified plans, the employer's contributions and an allocation of Plan earnings or losses based on the earnings or losses of the participant's selected investments.

### *Investment Options*

All Plan investments are participant directed. Participants are allowed to invest their account balances in various investment funds made available by the Trustee. The employer's contributions are allocated in the same percentage among those investment funds. The investment options consist of fixed-income and equity mutual funds. Participants may change their investment options at any time.

(1) **Plan Description, continued**

*Vesting*

Participants vest immediately in participant contributions and are subject to a five-year vesting schedule for employer matching contributions and discretionary profit sharing contributions. Vesting takes into account all completed years of service from date of hire.

Employer matching contributions and discretionary profit sharing contributions vest as follows:

| Completed Years of Service | Vested Percentage |
|---|---|
| Less than 2 | 0% |
| 2 | 25% |
| 3 | 50% |
| 4 | 75% |
| 5 or more | 100% |

*Forfeitures*

A participant that terminates service prior to fully vesting in employer contributions forfeits the unvested amount. Forfeitures are used to reduce either administrative expenses or future employer contributions to the Plan. The forfeitures account was $13,585 at June 30, 2011 and $8,349 at June 30, 2010. There were no forfeitures used to reduce employer contributions in fiscal 2011 or 2010.

*Notes Receivable from Participants*

Participants may borrow a portion of their vested fund balance. These loans are subject to procedures and limitations adopted under the Plan. The minimum loan amount is $1,000. The maximum loan amount equals the lesser of (a) $50,000, reduced by the highest outstanding loan balance within the twelve months prior to the loan application or (b) one-half the participant's vested account balance. Loan terms range from one to five years or up to ten years if for the purchase of a primary residence. The loans are secured by the participant's account balance and bear a reasonable interest rate. Principal and interest are paid ratably through semi-monthly payroll deductions.

*Payment of Benefits*

Upon termination of service, participants are eligible to receive their vested account balance in either a lump sum or substantially equal annuity payments.

*Plan Termination*

Although management has not expressed any intent to do so, the Sponsor has the right to terminate the Plan in compliance with the provisions of ERISA. In the event the Plan is terminated, participants become 100 percent vested in their accounts.

## (2) Summary of Significant Accounting Policies

*Basis of Presentation*

The Plan's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). These principles require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates. There are no estimates that have a significant impact on the Plan's financial statements. The following paragraphs of note 2 summarize the more significant accounting policies followed by the Plan.

*Investment Valuation and Income Recognition*

In accordance with GAAP, the Plan is required to classify its assets and liabilities that are reported at fair value into three levels based on the method used to value the assets or liabilities. Level 1 values are based on quoted prices in active markets for identical securities. Level 2 values are based on significant other observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect management's determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investments. The table in note 5 presents the Plan's valuation levels as of June 30, 2011 and 2010.

The Plan's investments are recorded at fair value based on closing market prices of the underlying mutual funds as certified by the Trustee. The Plan's net investment income includes realized and unrealized appreciation or depreciation in fair value of investments, which is the difference between the value of the investments at the beginning of the year or the acquisition cost if purchased during the year, and the value at date of sale or year end based on closing market prices.

Purchases and sales of securities are recorded on the trade-date basis. Interest, dividends and capital gain distributions are recorded on the date paid to the Plan's investment accounts.

*Notes Receivable from Participants*

Notes receivable from participants are recorded at the original loan principal balance, plus accrued interest, less principal repayments. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the plan document.

*Benefits*

Benefits to participants are recorded when paid.

(2) Summary of Significant Accounting Policies, continued

*Income Tax Status*

The prototype document used by the Plan obtained its latest determination letter on October 9, 2003, in which the Internal Revenue Service stated that the prototype plan, as then defined, was in compliance with the applicable requirements of the Internal Revenue Code. The plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Management of the Sponsor has evaluated the Plan's federal and state tax positions and believes there are no significant uncertain tax positions. The Plan is generally not subject to examination by federal tax authorities for tax years before 2008.

*Risks and Uncertainties*

The Plan provides for investment in several mutual funds. These investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Plan's financial statements.

(3) Financial Information Certified by the Plan's Trustee (Unaudited)

Fidelity Management Trust Company, a party-in-interest as defined by ERISA, holds certain Plan investment assets and executes all investment transactions. The following investment information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the Trustee.

| | 2011 | 2010 |
|---|---|---|
| Investments at fair value – mutual funds | $ 9,290,214 | $ 6,773,487 |
| Notes receivable from participants | 99,926 | 120,282 |
| **Total assets certified by the Trustee** | **$ 9,390,140** | **$ 6,893,769** |
| Net appreciation in fair value of investments | $ 1,986,718 | $ 869,803 |
| Interest and dividends | 112,602 | 93,672 |
| **Total investment income certified by the Trustee** | **$ 2,099,320** | **$ 963,475** |

## (4) Investment Concentration

The value of each of the following investments at June 30, 2011 and 2010 represents five percent or more of net assets available for benefits at the beginning of the respective plan years.

| Investment | 2011 | 2010 |
|---|---|---|
| Dreyfus S&P 500 Index Fund | $ 798,156 | $ 572,860 |
| Dreyfus Opportunistic MidCap Value Fund – Class A | 615,917 | 415,301 |
| Fidelity Advisor Value Strategies Fund – Class A | 635,130 | 441,736 |
| Fidelity Advisor Technology Fund – Class A | 1,117,623 | 746,055 |
| Fidelity Advisor Equity Income Fund – Class A | 759,230 | 537,646 |
| Fidelity Advisor Equity Growth Fund – Class A | 1,129,256 | 713,370 |
| Fidelity Advisor International Capital Appreciation Fund – Class A | 358,037 | - |
| Fidelity Advisor Large Cap Fund – Class A | 1,165,866 | 831,616 |
| Fidelity Advisor Strategic Income Fund – Class A | 654,374 | 612,740 |

## (5) Fair Value Measurements

The fair value hierarchy for assets measured at fair value on a recurring basis as of June 30, 2011 and 2010 is as follows:

| | Fair Value | Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| June 30, 2011: | | | | |
| Mutual funds | $ 9,290,214 | $ 9,290,214 | $ - | $ - |
| **Total** | $ **9,290,214** | $ **9,290,214** | $ - | $ - |
| June 30, 2010: | | | | |
| Mutual funds | $ 6,773,487 | $ 6,773,487 | $ - | $ - |
| **Total** | $ **6,773,487** | $ **6,773,487** | $ - | $ - |

(6) **Reconciliation of Financial Statements to Schedule H of Form 5500**

The following is a reconciliation of net assets available for benefits as reported in the financial statements at June 30, 2011 and 2010 to Schedule H of Form 5500:

| | 2011 | 2010 |
|---|---|---|
| Net assets available for benefits per financial statements | $ 9,519,665 | $ 6,893,769 |
| Contributions receivable | (129,525) | - |
| **Net assets available for benefits per Schedule H of Form 5500** | **$ 9,390,140** | **$ 6,893,769** |

The following is a reconciliation of contributions as reported in the financial statements for the year ended June 30, 2011 to Schedule H of Form 5500:

| | |
|---|---|
| Contributions per financial statements | $ 843,031 |
| Change in contributions receivable | (129,525) |
| **Contributions per Schedule H of Form 5500** | **$ 713,506** |

(7) **Subsequent Events**

Management has evaluated subsequent events through December 27, 2011, the date the financial statements were available to be issued, for matters requiring recognition or disclosure in the financial statements. Management's review discovered no subsequent events that should be recognized or that are deemed significant enough for disclosure.

# SUPPLEMENTAL SCHEDULE

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**EIN 04-6568107**
**Plan Number 001**
**Schedule H, Part IV, Item 4i - Schedule of Assets Held at End of Year**
**June 30, 2011**

| (a) | (b) / (c) Name of Issuer / Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|
| | Mutual funds: | | |
| | Dreyfus S&P 500 Index Fund | $ 734,143 | $ 798,156 |
| | Invesco Van Kampen American Franchise Fund – Class A | 235,360 | 234,433 |
| | Heartland Value Fund | 138,004 | 155,407 |
| | Janus Enterprise Fund – Class S | 148,810 | 235,611 |
| | Dreyfus Opportunistic MidCap Value Fund – Class A | 454,629 | 615,917 |
| | Oppenheimer Main Street Small & MidCap Fund – Class A | 70,398 | 90,589 |
| * | Fidelity Prime Fund – Daily Money Class | 1,980 | 1,980 |
| * | Fidelity Advisor Energy Fund – Class A | 252,883 | 239,961 |
| * | Fidelity Advisor Value Strategies Fund – Class A | 655,671 | 635,130 |
| * | Fidelity Advisor Health Care Fund – Class A | 82,613 | 82,077 |
| * | Fidelity Advisor Technology Fund – Class A | 1,187,468 | 1,117,623 |
| * | Fidelity Advisor Financial Services Fund – Class A | 187,124 | 174,781 |
| * | Fidelity Advisor Equity Income Fund – Class A | 782,622 | 759,230 |
| * | Fidelity Advisor Equity Growth Fund – Class A | 1,153,378 | 1,129,256 |
| * | Fidelity Advisor International Capital Appreciation Fund – Class A | 374,639 | 358,037 |
| * | Fidelity Advisor Large Cap Fund – Class A | 1,211,964 | 1,165,866 |
| * | Fidelity Advisor Strategic Income Fund – Class A | 660,573 | 654,374 |
| * | Fidelity Advisor Freedom 2015 Fund – Class A | 311,866 | 304,234 |
| * | Fidelity Advisor Freedom 2020 Fund – Class A | 236 | 231 |
| * | Fidelity Advisor Freedom 2025 Fund – Class A | 132,385 | 128,161 |
| * | Fidelity Advisor Freedom 2030 Fund – Class A | 10,266 | 9,922 |
| * | Fidelity Advisor Freedom 2035 Fund – Class A | 34,565 | 33,201 |
| * | Fidelity Advisor Freedom 2040 Fund – Class A | 75,249 | 72,233 |
| * | Fidelity Advisor Freedom 2045 Fund – Class A | 1,194 | 1,150 |
| * | Fidelity Advisor Freedom 2050 Fund – Class A | 11,059 | 10,598 |
| * | Fidelity Advisor Small Cap Growth Fund – Class A | 27,094 | 26,213 |
| * | Fidelity Advisor Government Income Fund – Class A | 254,531 | 255,843 |
| | **Total mutual funds** | **9,190,704** | **9,290,214** |
| | Notes receivable from participants, interest rates 4.25% – 8.50%, generally due in fiscal 2012 through 2016 | 99,926 | 99,926 |
| | Contributions receivable | 129,525 | 129,525 |
| | **Total assets held at end of year** | $ **9,420,155** | $ **9,519,665** |

* Investments held with Fidelity Management Trust Company, a party-in-interest as defined by ERISA.

# DALLAS BASKETBALL LIMITED 401(k) PLAN

**Financial Statements**
**and**
**Supplemental Schedule**

**June 30, 2011 and 2010**

**With Independent Auditors' Report**

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**Table of Contents**
**June 30, 2011 and 2010**


| | Pages |
|---|---|
| **Independent Auditors' Report** | 1 |
| **Financial Statements:** | |
| Statements of Net Assets Available for Benefits – June 30, 2011 and 2010 | 2 |
| Statements of Changes in Net Assets Available for Benefits – Years ended June 30, 2011 and 2010 | 3 |
| Notes to Financial Statements – June 30, 2011 and 2010 | 4-9 |
| **Supplemental Schedule:** | |
| Schedule H, Part IV, Item 4i – Schedule of Assets Held at End of Year – June 30, 2011 | 11 |

NICHOLAS & MONTGOMERY LLP
Certified Public Accountants and Consultants

12720 HILLCREST ROAD • SUITE 800 • DALLAS, TX 75230-2081
214-739-0888 • FAX 214-369-4816 • www.nmllp.com

PARTNERS

CATHERINE L. BARD
STEPHEN J. FLANAGAN
SAMUEL T. MONTGOMERY III
KELLY M. MORGAN

KENNETH R. NICHOLAS
(1942-2003)

## Independent Auditors' Report

The Participants and Administrator
Dallas Basketball Limited 401(k) Plan

We were engaged to audit the financial statements of Dallas Basketball Limited 401(k) Plan (the Plan) as of June 30, 2011 and 2010, and for the years then ended, and the supplemental schedule as of June 30, 2011, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from Fidelity Management Trust Company as of and for the years ended June 30, 2011 and 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Nicholas & Montgomery LLP

December 27, 2011

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**Statements of Net Assets Available for Benefits**
**June 30, 2011 and 2010**

| | 2011 | 2010 |
|---|---|---|
| Assets: | | |
| Investments at fair value – mutual funds | $ 9,290,214 | $ 6,773,487 |
| Notes receivable from participants | 99,926 | 120,282 |
| Contributions receivable: | | |
| Employer's contributions | 22,873 | - |
| Participants' contributions | 106,652 | - |
| **Net assets available for benefits** | **$ 9,519,665** | **$ 6,893,769** |

The accompanying notes are an integral part of the financial statements.

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**Statements of Changes in Net Assets Available for Benefits**
**Years ended June 30, 2011 and 2010**

| | 2011 | 2010 |
|---|---|---|
| Additions to net assets attributed to: | | |
| Investment income: | | |
| Net appreciation in fair value of investments | $ 1,986,718 | $ 869,803 |
| Interest and dividends | 112,602 | 93,672 |
| **Total investment income** | **2,099,320** | **963,475** |
| Contributions: | | |
| Employer's matching | 119,388 | 2 |
| Participants' deferral | 723,355 | 615,337 |
| Participants' rollover | 288 | - |
| **Total contributions** | **843,031** | **615,339** |
| **Total additions to net assets** | **2,942,351** | **1,578,814** |
| Deductions from net assets attributed to: | | |
| Participants' benefits | 316,105 | 429,978 |
| Administrative expenses | 350 | 706 |
| **Total deductions from net assets** | **316,455** | **430,684** |
| **Net increase in plan assets** | **2,625,896** | **1,148,130** |
| **Net assets available for benefits:** | | |
| **Beginning of year** | **6,893,769** | **5,745,639** |
| **End of year** | $ **9,519,665** | $ **6,893,769** |

The accompanying notes are an integral part of the financial statements.

## (1) Plan Description

The following description of the Dallas Basketball Limited 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of Plan provisions. The Plan agreement is controlling at all times.

### *General Information*

The Plan, a defined contribution plan of Dallas Basketball Limited d.b.a. Dallas Mavericks (the Sponsor), was established effective August 1, 1994 and covers all employees of the Sponsor who have met the Plan's eligibility requirements as outlined in the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

During fiscal 2011 and 2010, Fidelity Management Trust Company (the Trustee) was the trustee and recordkeeper of the Plan. Trustee fees charged for services directly for participants are paid from the respective participants' accounts. The Sponsor pays other Plan expenses.

### *Entry Date*

Employees become eligible to participate in the Plan on the first day of the month following the date on which they complete three months of service.

### *Contributions*

Eligible employees may participate in the Plan by electing to reduce their compensation and contributing to the Plan generally up to 60 percent of their total eligible compensation. In addition, a participant, with the Plan administrator's written consent, may contribute a rollover contribution from another qualified plan.

The employer may make matching and/or discretionary profit sharing contributions. During fiscal 2010 the employer did not match any participants' salary deferrals to the Plan. During fiscal 2011 the employer matched 25 percent of the first six percent of each participant's salary deferral. There were no discretionary contributions in fiscal 2011 or 2010. Contributions are subject to certain limitations as defined in the Plan and as set forth in the Internal Revenue Code.

### *Participant Accounts*

Each participant's account is credited with the participant's contributions, the participant's rollover amounts from prior qualified plans, the employer's contributions and an allocation of Plan earnings or losses based on the earnings or losses of the participant's selected investments.

### *Investment Options*

All Plan investments are participant directed. Participants are allowed to invest their account balances in various investment funds made available by the Trustee. The employer's contributions are allocated in the same percentage among those investment funds. The investment options consist of fixed-income and equity mutual funds. Participants may change their investment options at any time.

(1) **Plan Description, continued**

*Vesting*

Participants vest immediately in participant contributions and are subject to a five-year vesting schedule for employer matching contributions and discretionary profit sharing contributions. Vesting takes into account all completed years of service from date of hire.

Employer matching contributions and discretionary profit sharing contributions vest as follows:

| Completed Years of Service | Vested Percentage |
|---|---|
| Less than 2 | 0% |
| 2 | 25% |
| 3 | 50% |
| 4 | 75% |
| 5 or more | 100% |

*Forfeitures*

A participant that terminates service prior to fully vesting in employer contributions forfeits the unvested amount. Forfeitures are used to reduce either administrative expenses or future employer contributions to the Plan. The forfeitures account was $13,585 at June 30, 2011 and $8,349 at June 30, 2010. There were no forfeitures used to reduce employer contributions in fiscal 2011 or 2010.

*Notes Receivable from Participants*

Participants may borrow a portion of their vested fund balance. These loans are subject to procedures and limitations adopted under the Plan. The minimum loan amount is $1,000. The maximum loan amount equals the lesser of (a) $50,000, reduced by the highest outstanding loan balance within the twelve months prior to the loan application or (b) one-half the participant's vested account balance. Loan terms range from one to five years or up to ten years if for the purchase of a primary residence. The loans are secured by the participant's account balance and bear a reasonable interest rate. Principal and interest are paid ratably through semi-monthly payroll deductions.

*Payment of Benefits*

Upon termination of service, participants are eligible to receive their vested account balance in either a lump sum or substantially equal annuity payments.

*Plan Termination*

Although management has not expressed any intent to do so, the Sponsor has the right to terminate the Plan in compliance with the provisions of ERISA. In the event the Plan is terminated, participants become 100 percent vested in their accounts.

## (2) Summary of Significant Accounting Policies

*Basis of Presentation*

The Plan's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). These principles require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates. There are no estimates that have a significant impact on the Plan's financial statements. The following paragraphs of note 2 summarize the more significant accounting policies followed by the Plan.

*Investment Valuation and Income Recognition*

In accordance with GAAP, the Plan is required to classify its assets and liabilities that are reported at fair value into three levels based on the method used to value the assets or liabilities. Level 1 values are based on quoted prices in active markets for identical securities. Level 2 values are based on significant other observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Level 3 values are based on significant unobservable inputs that reflect management's determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investments. The table in note 5 presents the Plan's valuation levels as of June 30, 2011 and 2010.

The Plan's investments are recorded at fair value based on closing market prices of the underlying mutual funds as certified by the Trustee. The Plan's net investment income includes realized and unrealized appreciation or depreciation in fair value of investments, which is the difference between the value of the investments at the beginning of the year or the acquisition cost if purchased during the year, and the value at date of sale or year end based on closing market prices.

Purchases and sales of securities are recorded on the trade-date basis. Interest, dividends and capital gain distributions are recorded on the date paid to the Plan's investment accounts.

*Notes Receivable from Participants*

Notes receivable from participants are recorded at the original loan principal balance, plus accrued interest, less principal repayments. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the plan document.

*Benefits*

Benefits to participants are recorded when paid.

(2) Summary of Significant Accounting Policies, continued

*Income Tax Status*

The prototype document used by the Plan obtained its latest determination letter on October 9, 2003, in which the Internal Revenue Service stated that the prototype plan, as then defined, was in compliance with the applicable requirements of the Internal Revenue Code. The plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Management of the Sponsor has evaluated the Plan's federal and state tax positions and believes there are no significant uncertain tax positions. The Plan is generally not subject to examination by federal tax authorities for tax years before 2008.

*Risks and Uncertainties*

The Plan provides for investment in several mutual funds. These investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Plan's financial statements.

(3) Financial Information Certified by the Plan's Trustee (Unaudited)

Fidelity Management Trust Company, a party-in-interest as defined by ERISA, holds certain Plan investment assets and executes all investment transactions. The following investment information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the Trustee.

| | 2011 | 2010 |
|---|---|---|
| Investments at fair value – mutual funds | $ 9,290,214 | $ 6,773,487 |
| Notes receivable from participants | 99,926 | 120,282 |
| **Total assets certified by the Trustee** | **$ 9,390,140** | **$ 6,893,769** |
| Net appreciation in fair value of investments | $ 1,986,718 | $ 869,803 |
| Interest and dividends | 112,602 | 93,672 |
| **Total investment income certified by the Trustee** | **$ 2,099,320** | **$ 963,475** |

## (4) Investment Concentration

The value of each of the following investments at June 30, 2011 and 2010 represents five percent or more of net assets available for benefits at the beginning of the respective plan years.

| Investment | 2011 | 2010 |
|---|---|---|
| Dreyfus S&P 500 Index Fund | $ 798,156 | $ 572,860 |
| Dreyfus Opportunistic MidCap Value Fund – Class A | 615,917 | 415,301 |
| Fidelity Advisor Value Strategies Fund – Class A | 635,130 | 441,736 |
| Fidelity Advisor Technology Fund – Class A | 1,117,623 | 746,055 |
| Fidelity Advisor Equity Income Fund – Class A | 759,230 | 537,646 |
| Fidelity Advisor Equity Growth Fund – Class A | 1,129,256 | 713,370 |
| Fidelity Advisor International Capital Appreciation Fund – Class A | 358,037 | - |
| Fidelity Advisor Large Cap Fund – Class A | 1,165,866 | 831,616 |
| Fidelity Advisor Strategic Income Fund – Class A | 654,374 | 612,740 |

## (5) Fair Value Measurements

The fair value hierarchy for assets measured at fair value on a recurring basis as of June 30, 2011 and 2010 is as follows:

| | Fair Value | Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| June 30, 2011: | | | | |
| Mutual funds | $ 9,290,214 | $ 9,290,214 | $ - | $ - |
| **Total** | $ **9,290,214** | $ **9,290,214** | $ - | $ - |
| June 30, 2010: | | | | |
| Mutual funds | $ 6,773,487 | $ 6,773,487 | $ - | $ - |
| **Total** | $ **6,773,487** | $ **6,773,487** | $ - | $ - |

(6) **Reconciliation of Financial Statements to Schedule H of Form 5500**

The following is a reconciliation of net assets available for benefits as reported in the financial statements at June 30, 2011 and 2010 to Schedule H of Form 5500:

| | 2011 | 2010 |
|---|---|---|
| Net assets available for benefits per financial statements | $ 9,519,665 | $ 6,893,769 |
| Contributions receivable | (129,525) | - |
| **Net assets available for benefits per Schedule H of Form 5500** | **$ 9,390,140** | **$ 6,893,769** |

The following is a reconciliation of contributions as reported in the financial statements for the year ended June 30, 2011 to Schedule H of Form 5500:

| | |
|---|---|
| Contributions per financial statements | $ 843,031 |
| Change in contributions receivable | (129,525) |
| **Contributions per Schedule H of Form 5500** | **$ 713,506** |

(7) **Subsequent Events**

Management has evaluated subsequent events through December 27, 2011, the date the financial statements were available to be issued, for matters requiring recognition or disclosure in the financial statements. Management's review discovered no subsequent events that should be recognized or that are deemed significant enough for disclosure.

# SUPPLEMENTAL SCHEDULE

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**EIN 04-6568107**
**Plan Number 001**
**Schedule H, Part IV, Item 4i - Schedule of Assets Held at End of Year**
**June 30, 2011**

| (a) | (b) / (c) Name of Issuer / Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|
| | Mutual funds: | | |
| | Dreyfus S&P 500 Index Fund | $ 734,143 | $ 798,156 |
| | Invesco Van Kampen American Franchise Fund – Class A | 235,360 | 234,433 |
| | Heartland Value Fund | 138,004 | 155,407 |
| | Janus Enterprise Fund – Class S | 148,810 | 235,611 |
| | Dreyfus Opportunistic MidCap Value Fund – Class A | 454,629 | 615,917 |
| | Oppenheimer Main Street Small & MidCap Fund – Class A | 70,398 | 90,589 |
| * | Fidelity Prime Fund – Daily Money Class | 1,980 | 1,980 |
| * | Fidelity Advisor Energy Fund – Class A | 252,883 | 239,961 |
| * | Fidelity Advisor Value Strategies Fund – Class A | 655,671 | 635,130 |
| * | Fidelity Advisor Health Care Fund – Class A | 82,613 | 82,077 |
| * | Fidelity Advisor Technology Fund – Class A | 1,187,468 | 1,117,623 |
| * | Fidelity Advisor Financial Services Fund – Class A | 187,124 | 174,781 |
| * | Fidelity Advisor Equity Income Fund – Class A | 782,622 | 759,230 |
| * | Fidelity Advisor Equity Growth Fund – Class A | 1,153,378 | 1,129,256 |
| * | Fidelity Advisor International Capital Appreciation Fund – Class A | 374,639 | 358,037 |
| * | Fidelity Advisor Large Cap Fund – Class A | 1,211,964 | 1,165,866 |
| * | Fidelity Advisor Strategic Income Fund – Class A | 660,573 | 654,374 |
| * | Fidelity Advisor Freedom 2015 Fund – Class A | 311,866 | 304,234 |
| * | Fidelity Advisor Freedom 2020 Fund – Class A | 236 | 231 |
| * | Fidelity Advisor Freedom 2025 Fund – Class A | 132,385 | 128,161 |
| * | Fidelity Advisor Freedom 2030 Fund – Class A | 10,266 | 9,922 |
| * | Fidelity Advisor Freedom 2035 Fund – Class A | 34,565 | 33,201 |
| * | Fidelity Advisor Freedom 2040 Fund – Class A | 75,249 | 72,233 |
| * | Fidelity Advisor Freedom 2045 Fund – Class A | 1,194 | 1,150 |
| * | Fidelity Advisor Freedom 2050 Fund – Class A | 11,059 | 10,598 |
| * | Fidelity Advisor Small Cap Growth Fund – Class A | 27,094 | 26,213 |
| * | Fidelity Advisor Government Income Fund – Class A | 254,531 | 255,843 |
| | **Total mutual funds** | **9,190,704** | **9,290,214** |
| | Notes receivable from participants, interest rates 4.25% – 8.50%, generally due in fiscal 2012 through 2016 | 99,926 | 99,926 |
| | Contributions receivable | 129,525 | 129,525 |
| | **Total assets held at end of year** | $ **9,420,155** | $ **9,519,665** |

* Investments held with Fidelity Management Trust Company, a party-in-interest as defined by ERISA.

**DALLAS BASKETBALL LIMITED 401(k) PLAN**
**EIN 04-6568107**
**Plan Number 001**
**Schedule H, Part IV, Item 4i - Schedule of Assets Held at End of Year**
**June 30, 2011**

| (a) | (b) / (c) Name of Issuer / Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|
| | Mutual funds: | | |
| | Dreyfus S&P 500 Index Fund | $ 734,143 | $ 798,156 |
| | Invesco Van Kampen American Franchise Fund – Class A | 235,360 | 234,433 |
| | Heartland Value Fund | 138,004 | 155,407 |
| | Janus Enterprise Fund – Class S | 148,810 | 235,611 |
| | Dreyfus Opportunistic MidCap Value Fund – Class A | 454,629 | 615,917 |
| | Oppenheimer Main Street Small & MidCap Fund – Class A | 70,398 | 90,589 |
| * | Fidelity Prime Fund – Daily Money Class | 1,980 | 1,980 |
| * | Fidelity Advisor Energy Fund – Class A | 252,883 | 239,961 |
| * | Fidelity Advisor Value Strategies Fund – Class A | 655,671 | 635,130 |
| * | Fidelity Advisor Health Care Fund – Class A | 82,613 | 82,077 |
| * | Fidelity Advisor Technology Fund – Class A | 1,187,468 | 1,117,623 |
| * | Fidelity Advisor Financial Services Fund – Class A | 187,124 | 174,781 |
| * | Fidelity Advisor Equity Income Fund – Class A | 782,622 | 759,230 |
| * | Fidelity Advisor Equity Growth Fund – Class A | 1,153,378 | 1,129,256 |
| * | Fidelity Advisor International Capital Appreciation Fund – Class A | 374,639 | 358,037 |
| * | Fidelity Advisor Large Cap Fund – Class A | 1,211,964 | 1,165,866 |
| * | Fidelity Advisor Strategic Income Fund – Class A | 660,573 | 654,374 |
| * | Fidelity Advisor Freedom 2015 Fund – Class A | 311,866 | 304,234 |
| * | Fidelity Advisor Freedom 2020 Fund – Class A | 236 | 231 |
| * | Fidelity Advisor Freedom 2025 Fund – Class A | 132,385 | 128,161 |
| * | Fidelity Advisor Freedom 2030 Fund – Class A | 10,266 | 9,922 |
| * | Fidelity Advisor Freedom 2035 Fund – Class A | 34,565 | 33,201 |
| * | Fidelity Advisor Freedom 2040 Fund – Class A | 75,249 | 72,233 |
| * | Fidelity Advisor Freedom 2045 Fund – Class A | 1,194 | 1,150 |
| * | Fidelity Advisor Freedom 2050 Fund – Class A | 11,059 | 10,598 |
| * | Fidelity Advisor Small Cap Growth Fund – Class A | 27,094 | 26,213 |
| * | Fidelity Advisor Government Income Fund – Class A | 254,531 | 255,843 |
| | **Total mutual funds** | **9,190,704** | **9,290,214** |
| | Notes receivable from participants, interest rates 4.25% – 8.50%, generally due in fiscal 2012 through 2016 | 99,926 | 99,926 |
| | Contributions receivable | 129,525 | 129,525 |
| | **Total assets held at end of year** | $ **9,420,155** | $ **9,519,665** |

* Investments held with Fidelity Management Trust Company, a party-in-interest as defined by ERISA.