

Employment Agreement

This Employment Agreement is entered into by and between Matt Painter and Purdue University.

WHEREAS, effective as of July 1, 2009 Purdue and the Coach entered into the Prior Agreement because Purdue desired to continue and extend the employment of the Coach as the head coach of the Program, and because the Coach desired to continue and extend his employment by Purdue in that capacity; and

WHEREAS, Purdue and the Coach recognize that head coaches of intercollegiate teams at Purdue conduct their professional activities under circumstances unique among Purdue employees, including evaluation and scrutiny of Team performances by the public and media, and including the applicability of NCAA Regulations and Big Ten Regulations, as well as Purdue Regulations, to the Coach's activities and to the Program; and

WHEREAS, both Parties recognize that these factors highlight the need for job security for the Coach, as well as the critical importance to Purdue of the Coach's long-term commitment to enable Purdue to operate and maintain a stable athletic program; and

WHEREAS, both Parties wish to extend their relationship by replacing the Prior Agreement with this Employment Agreement;

NOW THEREFORE, in consideration of the foregoing recitals and of the following mutually agreed terms and conditions, the parties hereby agree as follows:

1.0 Definitions. The following terms have the following meanings when capitalized in this Agreement:

"Administrative/Professional Position Description" means Purdue's description with that name which is attached as **Exhibit A** to this Agreement, as the same may be amended by Purdue from time to time.

"Agreement" means this Employment Agreement, including the recitals and the attached Exhibits.

"Annual Base Salary" means the amount calculated by multiplying the (Base Salary) times (12).

"Athletic Director" means Purdue's Director of Intercollegiate Athletics, or his or her designee.

"Base Salary " means the monthly salary of \$20,311.17, which is reflected as an annual amount in the approved annual Purdue budget, to be paid by Purdue to the Coach under this Agreement, as the same may be increased from time to time in accordance with Section 3.0 below.

"Benefits" means such benefits, in addition to salary and Retirement Contributions, as are generally provided to employees holding Administrative/ Professional Staff appointments at Purdue's West Lafayette Campus, such as medical insurance, paid vacation, paid sick leave, and other generally available benefits, as such benefits may be amended by Purdue from time to time.

"Big Ten" means the Big Ten Conference.

"Big Ten Coaches" means the group consisting of the head coaches of the intercollegiate men's basketball program at each Big Ten university.

"Big Ten Media" means the group consisting of the two individual media representatives designated by each Big Ten university as that university's Big Ten men's basketball media representatives.

"Big Ten Regulations" means the constitution, bylaws, rulings, and interpretations of the Big Ten, as the same may be amended from time to time.

"Bonus" means the bonus payment or payments to be made by Purdue to the Coach, if any, as and when specified in Exhibit B.

"Cause" means one or more of the following reasonably determined by Purdue in accordance with the provisions in this Agreement to constitute:

- (i) a failure by the Coach to cure, within seven days after receiving written notice from Purdue, any failure by the Coach to perform any of his duties or responsibilities under this Agreement;
- (ii) fraud or dishonesty by the Coach upon, or an act by the Coach evidencing bad faith towards, Purdue;
- (iii) conduct by the Coach which is seriously prejudicial to the best interests of Purdue or the Program, or which is contrary to Purdue's mission;
- (iv) conduct by the Coach in violation of any criminal statute of moral turpitude;
- (v) a significant violation, or repetitive violations, of Purdue, Big Ten, or NCAA Regulations by the Coach, by any person under the Coach's supervision, or by a student athlete in the Program, as determined pursuant to Section 4.3.2 below; and/or
- (vi) a prolonged absence from duty without the consent of the Athletic Director, other than because of temporary, verifiable illness or Permanent Disability.

"Coach" means Matt Painter.

"Code" means the United States Internal Revenue Code of 1986, as the same may be amended, or comparable provisions of successor legislation.

"Club" means the Lafayette Country Club.

"CGPA" means the cumulative grade point average of the Team .

"Director of Compliance" means the employee in the Purdue athletics department with

responsibility for compliance matters.

"Disability Date" means the date on which a Permanent Disability is deemed to occur under Section 5.4.2.3 below, or the day on which a physician selected pursuant to Section 5.4.2.4 below notifies the parties that the physician has determined that the Coach has a Permanent Disability.

"Effective Date" means July 1, 2011.

"Extension Term" means a one-year period extending this Agreement in accordance with Section 5.1 below.

"Fiscal Year" means Purdue's fiscal year running from July 1 through June 30.

"GSR" means the Graduation Success Rate, calculated using NCAA calculation methods and procedures.

"Initial Term" means the period beginning on the Effective Date and ending on June 30, 2019.

"IRS" means the United States Internal Revenue Service.

"NCAA" means the National Collegiate Athletic Association.

"NCAA Regulations" means the constitution, bylaws, rulings, and interpretations of the NCAA, as the same may be amended from time to time.

"Outside Income" means income, benefits, or gratuities received by the Coach from any source other than Purdue, including but not limited to income and benefits from participating clinics, outside speaking engagements, newspaper columns, endorsement contracts, and consulting contracts, and including non-cash benefits from outside sources such as club memberships, preferential housing benefits, etc.

"Party" means Purdue or the Coach, and "Parties" means both of them.

"Performance Bonus Base" means \$948,963.00.

"Permanent Disability" means a physical or mental incapacity, determined as provided in Section 5.4.2 below, of a nature which will prevent the Coach from performing the essential functions of his duties under this Agreement with or without a reasonable accommodation, and which is expected to last in excess of 120 consecutive days.

"Preliminary Determination" means a determination by Purdue that the Coach has committed what Purdue believes to be a significant violation or repetitive violations of NCAA Regulations before NCAA proceedings with respect to such violation or violations are completed.

"President" means the president of Purdue.

"Prior Agreement" means the Employment Agreement between the Coach and Purdue with an effective date of July 1, 2009.

"Program" means Purdue's intercollegiate men's basketball program.

"Purdue" means Purdue University.

"Purdue Regulations" means all Purdue rules, regulations, policies and decisions as the same may be amended from time to time, including but not limited to Purdue's academic standards, requirements, and policies in regard to recruiting and maintaining the eligibility of prospective and current student-athletes.

"Remaining Agreement Amount" means, as of any particular day, the amount calculated using the following formula:

Remaining Agreement Amount = (the sum of all Annual Base Salary payments payable to the Coach under this Agreement from the date of calculation to the end of the Term) + (the sum of all Supplemental Stipend payments payable to the Coach under this Agreement from the date of calculation to the end of the Term) + (the sum of all Supplemental Retirement Contributions payable into the Supplemental Plans under this Agreement from the date of calculation to the end of the Term).

By way of example, assume that (i) Purdue elects to purchase the right to terminate this Agreement effective as of January 31, 2015 without Cause under Sections 5.2 and 5.2.1 below, (ii) for the period beginning on July 1, 2012 and continuing through the remaining portion of the Term, Purdue allocates the entire amount of each automatic annual \$25,000.00 increase to the Annual Base Salary, and (iii) beginning on July 1, 2012, the monthly Supplemental Stipend payment will therefore be \$146,355.50 through the remaining portion of the Term.

Under these assumptions:

- There will be 53 months remaining in the Term from February 1, 2015 through June 30, 2019.
- The Annual Base Salary will be (i) \$268,734.00 in Fiscal Year 2012/2013, (ii) \$293,734.00 in Fiscal Year 2013/2014, (iii) \$318,734.00 in Fiscal Year 2014/2015, (iv) \$343,734.00 in Fiscal Year 2015/2016, (v) \$368,734.00 in Fiscal Year 2016/2017, (vi) \$393,734.00 in Fiscal Year 2017/2018, and (vii) \$418,734.00 in Fiscal Year 2018/2019.
- The sum of all Annual Base Salary payments payable to the Coach from February 1, 2015 through June 30, 2019 will equal (5 months) times [\$318,734.00 ÷ 12 = \$26,561.17 per month] for the remainder of Fiscal Year 2014/2015, or \$132,805.85) + (\$343,734.00 for Fiscal Year 2015/2016) + (\$368,734.00 for Fiscal Year 2016/2017) + (\$393,734.00 for Fiscal Year 2017/2018) + (\$418,734.00 for Fiscal Year 2018/2019) = \$1,657,741.85.
- The sum of all Supplemental Stipend payments payable to the Coach from February 1, 2015 through June 30, 2019 will equal (53 months times \$146,355.50 per month) = \$7,756,841.50.
- The sum of all Supplemental Retirement Contributions payable into the

Supplemental Plans from February 1, 2015 through June 30, 2019 will be (53 months times \$25,000.00 per month) = \$1,325,000.00.

Under the foregoing assumptions and calculations, the Remaining Agreement Amount will equal $(\$1,657,741.85) + (\$7,756,841.50) + (\$1,325,000.00) = \$10,739,583.35$.

"Retirement Contributions" means the contributions which Purdue would make to its non-elective 403(b) defined contribution plan and its 401(a) mandatory retirement plan under its standard policy on behalf of an administrative or professional employee who receives a salary equal to the Base Salary, as said policy may be amended by Purdue from time to time.

"Supplemental Plans" means (i) the Purdue University Supplemental Defined Contribution Retirement Plan, including the Purdue University Code Section 415(m) Defined Contribution Excess Benefit Arrangement, and (ii) the Purdue University Supplemental Pension Plan, each as adopted by Purdue's Board of Trustees, and as further referenced in Section 3.0 of Exhibit B.

"Supplemental Plan Year" means the fiscal year period beginning on July 1 and ending on the subsequent June 30 of each year with respect to the Supplemental Plans.

"Supplemental Retirement Contributions" means the contributions which Purdue is obligated to make for Coach's benefit under the Supplemental Plans, as further referenced in Section 3.0 of Exhibit B.

"Supplemental Stipend" means the monthly payment to the Coach referenced in Section 2.0, Exhibit B, as the same may be increased from time to time in accordance with Section 3.0 below.

"Team" means the Purdue men's basketball team.

"Term" means the period during which this Agreement remains in force, including the Initial Term and any Extension Term.

"Termination Right Purchase Payment" means the payment which a Party shall pay under Section 5.2 below in order to purchase the right to terminate this Agreement without Cause.

"Trusts" means the trust funds established in connection with the Supplemental Plans.

2.0 Employment. Subject to the terms and conditions of this Agreement, Purdue hereby employs the Coach, and the Coach hereby accepts employment by Purdue, as the head coach of the Program. This Agreement supersedes and replaces the Prior Agreement as of the Effective Date.

3.0 Compensation. Subject to the other terms and conditions of this Agreement, Purdue will (i) pay the Coach the Base Salary, contribute Retirement Contributions on the Base Salary, and provide Benefits, and (ii) pay the payments, make the Supplemental Retirement Contributions and provide the perquisites as specified in Exhibit B. In the second and each subsequent year during the Term, the sum of (Annual Base Salary during the previous year) + (the Supplemental Stipend during the previous year) shall be automatically increased by \$25,000.00. Purdue may in its discretion allocate this automatic \$25,000.00 increase between the Annual Base Salary and the Supplemental Stipend. This automatic annual increase will not preclude other possible increases

in Annual Base Salary or the Supplemental Stipend.

4.0 Duties as Head Coach.

4.1 Duty of Loyalty. The Coach agrees to be a loyal employee of Purdue. The Coach will use his best efforts to make only positive and constructive public comments about Purdue policies and administrators.

4.2 General Duties. Under the supervision and control of the Athletic Director, the Coach will perform all duties and responsibilities attendant to the position of head coach properly, efficiently, and to the best of his ability, including the duties and responsibilities set forth in the body of this Agreement or in the Administrative/ Professional Position Description, or such other duties consistent with the foregoing that are assigned from time to time by the Athletic Director. The Coach's duties and responsibilities include using his best efforts to operate the Program in a manner which meets the revenue, personnel, and operational objectives established by the Athletic Director from time to time, and to comply with Purdue's contractual obligations calling for the Coach's participation in marketing and sponsorship activities. The Coach is expected to work closely with a variety of athletics department and Purdue staff on all matters affecting the Program or otherwise connected with the discharge of his duties under this Agreement.

4.3 Duty to Comply with Regulations.

4.3.1 Scope of Duty. Subject to the due process procedures referenced Sections 5.3.2, 5.3.3, 7.1, and 7.9 below, the Coach will comply with all applicable provisions of Purdue, Big Ten, and NCAA Regulations, and will use his best efforts to require all persons under the Coach's supervision and all student athletes in the Program to do the same. If the Coach becomes aware, or has reasonable cause to believe, that a violation of Purdue, Big Ten, and/or NCAA Regulations has or may have taken place, the Coach shall promptly report the violation or potential violation to the Athletic Director and to the Director of Compliance. In accordance with NCAA by-law 11.1.2.1, it shall be the responsibility of the Coach to promote an atmosphere promoting compliance within the Program and to monitor the activities regarding compliance of all assistant coaches and other administrators involved with the Program who report directly or indirectly to the Coach.

4.3.2 Violations.

4.3.2.1 Violations by the Coach. Subject to the due process procedures referenced Sections 5.3.2, 5.3.3, 7.1, and 7.9 below, the Coach shall be subject to disciplinary action under this Agreement, in addition to any discipline to which the Coach may be subject under Purdue, Big Ten, or NCAA Regulations, if (i) Purdue determines that the Coach has violated Purdue Regulations, (ii) Purdue or the Big Ten determines that the Coach has violated Big Ten Regulations, or (iii) Purdue or the NCAA determines that the Coach has violated NCAA Regulations, including but not limited to any NCAA violation which may have occurred during any prior employment of the Coach at another NCAA member institution and for which the NCAA could hold the Coach responsible.

4.3.2.2 Violations by Others Which the Coach Knows About and Fails to Report. Subject to the due process procedures referenced Sections 5.3.2, 5.3.3, 7.1, and 7.9 below, the Coach shall be subject to disciplinary action under this Agreement in addition to any discipline which the Coach may be subject under Purdue, Big Ten, or NCAA Regulations, if

(i) Purdue determines that any person under the Coach's supervision or any student athlete in the Program has violated Purdue Regulations, (ii) Purdue or the Big Ten determines that any person under the Coach's supervision or any student athlete in the Program has violated Big Ten Regulations, or (iii) Purdue or the NCAA determines that any person under the Coach's supervision or any student athlete in the Program has violated NCAA Regulations, and if the Coach has actual knowledge of such violation of Purdue, Big Ten, or NCAA Regulations and does not promptly report the same in accordance with Section 4.3.1 above.

4.3.2.3 Violations By Others Which the Coach Should Reasonably Have Known About. Subject to the due process procedures referenced Sections 5.3.2, 5.3.3, 7.1, and 7.9 below, the Coach shall be subject to disciplinary action under this Agreement in addition to any discipline which the Coach may be subject under Purdue, Big Ten, or NCAA Regulations, if (i) Purdue determines that any person under the Coach's supervision or any student athlete in the Program has violated Purdue Regulations, (ii) Purdue or the Big Ten determines that any person under the Coach's supervision or any student athlete in the Program has violated Big Ten Regulations, or (iii) Purdue or the NCAA determines that any person under the Coach's supervision or any student athlete in the Program has violated NCAA Regulations, and if the Coach in the exercise of due care in the performance of his duties as head coach of the Program reasonably should have known of such violation of Purdue, Big Ten, or NCAA Regulations and does not promptly report the same in accordance with Section 4.3.1 above.

4.3.2.4 Discipline. Subject to the due process procedures referenced Sections 5.3.2, 5.3.3, 7.1, and 7.9 below, discipline under this Agreement may include, but is not necessarily limited to, suspension without pay, a reduction in compensation hereunder, and termination of this Agreement for Cause.

5.0 Term and Termination.

5.1 Term. Unless terminated earlier pursuant to the following provisions, this Agreement shall remain in force during the Initial Term and during any Extension Term. At the end of the Initial Term or any Extension Term, this Agreement shall be automatically extended for an additional Extension Term unless either Party shall have given the other Party written notice at least sixty days before the end of the expiring Initial Term or Extension Term (as the case may be) that the notifying Party intends not to extend this Agreement.

5.2 Purchase of Right to Terminate Without Cause. In consideration of (i) the significant investment and mutual commitment which each Party has made to the other under this Agreement, as well as (ii) the mutual recognition of the Parties of the undesirability of continuing this Agreement in force if either Party no longer wishes for the Coach to continue to serve under this Agreement, the Parties agree that either Party may at any time elect to purchase the right to terminate this Agreement for any reason or no reason in accordance with the following provisions, by providing written notice to the other Party.

5.2.1 Termination by Purdue. If Purdue elects to purchase the right to terminate this Agreement without Cause under Section 5.2, Purdue will (i) pay or provide any Base Salary, Retirement Contributions, Supplemental Retirement Contributions, Benefits, Supplemental Stipend, and Bonus which have accrued and/or been earned through the date on which termination takes effect, and (ii) pay a Termination Right Purchase Payment to the Coach equal to the Remaining Agreement Amount.

5.2.2 Termination by the Coach. If the Coach elects to purchase the right to

terminate this Agreement under Section 5.2 without cause, (i) Purdue will pay or provide any Base Salary, Retirement Contributions, Supplemental Retirement Contributions, Benefits, Supplemental Stipend and Bonus which have accrued and/or been earned through the effective date of termination, and (ii) subject to Section 5.2.2.5 below, the Coach will pay a Termination Right Purchase Payment to Purdue determined in accordance with the following:

5.2.2.1 Before July 1, 2013. If the Coach makes such an election at any time before July 1, 2013, the amount of Coach's Termination Right Purchase Payment to Purdue will be \$1,500,000.00.

5.2.2.2 From July 1, 2013 Through June 30, 2015. If the Coach makes such an election at any time on or after July 1, 2013 through June 30, 2015, the amount of Coach's Termination Right Purchase Payment to Purdue will be \$1,000,000.00.

5.2.2.3 From July 1, 2015 Through June 30, 2017. If the Coach makes such an election at any time on or after July 1, 2015 through June 30, 2017, the amount of Coach's Termination Right Purchase Payment to Purdue will be \$750,000.00.

5.2.2.4 On or After July 1, 2017 Until the End of the Initial Term. If the Coach makes such an election at any time on or after July 1, 2017 through the end of the Initial Term, the amount of Coach's Termination Right Purchase Payment to Purdue will be \$500,000.00.

5.2.2.5 Retirement from the Coaching Profession. Purdue recognizes that if the Coach has decided to retire from the coaching profession, it would be in the interest of both Parties for the Coach to have the right to terminate this Agreement and his employment as the Coach by Purdue without being required to purchase said right. Therefore, if the Coach's written notice under Section 5.2 identifies his intention to retire from the coaching profession as the reason for termination, the Coach shall not be required to pay a Termination Right Purchase Payment, provided that if the Coach changes his mind and accepts a coaching position within 12 months following the date on which termination takes effect, the Coach shall then pay the applicable Termination Right Purchase Payment, if any, as if the Coach had terminated this Agreement under Section 5.2 for a reason other than a decision to retire from the coaching profession.

5.2.3 Effect. Upon satisfaction of the foregoing provisions, (i) Purdue shall have no further obligation to make any payments or to provide any Benefits or other consideration under this Agreement or otherwise, and (ii) the Coach shall have no obligation to make any further payments or to provide any other services or consideration to Purdue under this Agreement or otherwise.

5.3 Termination By Purdue With Cause.

5.3.1 Effect of Termination With Cause. Purdue may terminate this Agreement and the Coach's employment at any time if Cause is found under Section 5.3.2 below, upon providing the due process procedures set forth in Sections 5.3.2 and 7.9 below. If Purdue terminates this Agreement for Cause, Purdue will pay or provide any Base Salary, Retirement Contributions, Benefits, Supplemental Stipend and Bonus which have accrued and/or been earned through the end of the month in which such termination takes effect, and, subject to Section 5.3.3 below when applicable, shall have no further obligation to make any payments or to provide any Benefits or other consideration under this Agreement or otherwise.

5.3.2 Due Process Procedures for Termination With Cause. Purdue shall provide written notice to the Coach if Purdue intends to terminate this Agreement for Cause. Such notice shall be provided at least ten days in advance of the date on which termination is to take effect, and shall include a statement of the charges against the Coach. In that event, the President or the President's designee shall schedule a hearing to determine if Cause exists as soon as reasonably possible. The hearing shall consist of an explanation of Purdue's evidence and an opportunity for the Coach to present his side of the story. The Coach may have an advisor present who may consult with the Coach but who may not actively participate in the proceeding. The decision of the President or the President's designee at such hearing shall be Purdue's final decision. The procedures contained in this subsection shall provide the exclusive framework within Purdue for addressing the existence of Cause and for imposing any discipline, including termination, if Cause is found. This subsection applies in lieu of all other Purdue procedures which might otherwise be applicable. The Coach shall thereafter retain all of his rights to pursue further relief under Section 7.9 below.

5.3.3 Payments in Connection with Certain Terminations for Cause. The Parties recognize that Purdue is required to disclose violations of NCAA Regulations in connection with the Program to the NCAA, and that it may be appropriate for Purdue to terminate this Agreement for Cause based on a Preliminary Determination. The Parties further recognize that if Purdue terminates this Agreement for Cause based solely on a Preliminary Determination, and if the NCAA proceedings, when complete, do not support Purdue's Preliminary Determination that the Coach committed a significant violation or repetitive violations of NCAA Regulations, Purdue should compensate the Coach by making the Termination Right Purchase Payment which Purdue would have owed to the Coach had this Agreement been terminated without Cause. Therefore, the Parties agree as follows:

5.3.3.1 NCAA Violations Under Sections 4.3.2.1 and 4.3.2.2. If (i) Purdue makes a Preliminary Determination that the Coach has committed a significant violation or repetitive violations of NCAA Regulations under Section 4.3.2.1 and/or Section 4.3.2.2 above and discloses those violations to the NCAA, (ii) Purdue elects to terminate this Agreement for Cause based on those violations before the NCAA has concluded its proceedings regarding the violations, and (iii) upon completion of such proceedings, the NCAA does not support Purdue's Preliminary Determination that the Coach committed a significant violation or repetitive violations of NCAA Regulations, then Purdue will make a payment to the Coach equal to the amount of the Termination Right Purchase Payment which Purdue would have owed to the Coach if Purdue had elected to terminate this Agreement without Cause under Section 5.2.1 above, together with interest from the date of termination at Indiana's statutory prejudgment interest rate. The Coach acknowledges and agrees that upon making the payments called for in Sections 5.3.1 above and this Section 5.3.3.1, Purdue shall have satisfied all of its remaining obligations to the Coach under this Agreement, that such payments shall constitute full, fair and reasonable compensation to the Coach under this Agreement, and that Purdue shall have no further obligation to make any payments or to provide any Benefits or other consideration to the Coach under this Agreement or otherwise.

5.3.3.2 NCAA Violations Under Section 4.3.2.3.

(i) The Parties recognize that there may be more uncertainty and less control from the Coach's perspective in connection with violations of NCAA Regulations under Section 4.3.2.3 above than would be the case regarding violations under Sections 4.3.2.1 and 4.3.2.2.

(ii) Therefore, if Purdue makes a Preliminary Determination that the Coach has

committed a significant violation or repetitive violations of NCAA Regulations under Section 4.3.2.3 above (and not also under Section 4.3.2.1 and/or Section 4.3.2.2) and discloses those violations to the NCAA, Purdue may only elect to terminate this Agreement for Cause before the NCAA has concluded its proceedings regarding such disclosed violations if Purdue first makes a non-refundable payment to the Coach in accordance with the following subsection.

(iii) If Purdue makes such an election before July 1, 2015, the amount of such non-refundable payment shall be \$1,500,000.00. If Purdue makes such an election on or after July 1, 2015, the amount of such non-refundable payment shall be \$1,000,000.00.

(iv) If Purdue makes such an election and such a payment, and if upon completion of such proceedings the NCAA does not support Purdue's Preliminary Determination that the Coach committed a significant violation or repetitive violations of NCAA Regulations, Purdue will make a payment to the Coach equal to the difference between (a) the amount of the Termination Right Purchase Payment which Purdue would have owed to the Coach if Purdue had elected to terminate this Agreement without Cause under Section 5.2.1 above, and (b) the payment made by Purdue to the Coach under this Section 5.3.3.2, together with interest on the difference from the date of termination at Indiana's statutory prejudgment interest rate.

(v) The Coach acknowledges and agrees that upon making the payments called for in Sections 5.3.1 above and this Section 5.3.3.2, Purdue shall have satisfied all of its remaining obligations to the Coach under this Agreement, that such payments shall constitute full, fair and reasonable compensation to the Coach under this Agreement, and that Purdue shall have no further obligation to make any payments or to provide any Benefits or other consideration to the Coach under this Agreement or otherwise.

5.3.3.3 Other Terminations for Cause. If Purdue terminates this Agreement for Cause based on acts or omissions by the Coach (i) other than a significant violation or repetitive violations of NCAA Regulations, or (ii) which included both a significant violation or repetitive violations of NCAA Regulations and other acts or omissions constituting Cause, this Section 5.3.3 shall not apply. The Coach shall in that event retain the due process protections provided under Sections 5.3.2 and 7.9 with respect to such termination.

5.4 Termination for Death or Permanent Disability.

5.4.1 For Death. If the Coach dies, this Agreement shall terminate automatically on the date of death. Purdue will pay or provide any Base Salary, Retirement Contributions, Benefits, Supplemental Stipend and Bonus which have accrued and/or been earned through the date of death, and shall have no further obligation to make any payments or to provide any Benefits or other consideration under this Agreement or otherwise, other than death benefits, if any, which are then payable by Purdue under any Purdue benefit plan.

5.4.2 For Permanent Disability.

5.4.2.1 If Purdue determines in its reasonable judgment that the Coach may have a Permanent Disability, Purdue may notify the Coach in writing.

5.4.2.2 Within 14 days after receipt of notice from Purdue under Section 5.4.2.1, the Coach shall respond to Purdue in writing indicating whether or not the Coach agrees that he has a Permanent Disability.

5.4.2.3 If the Coach provides a timely written response to Purdue agreeing that he has a Permanent Disability, the Coach shall be deemed to have a Permanent Disability as of the date of the Coach's written response.

5.4.2.4 If the Coach provides a timely written response to Purdue which does not agree that the Coach has a Permanent Disability, or if the Coach does not respond in writing within said 14-day period, Purdue may arrange to have the Coach examined by a qualified physician to determine if the Coach has a Permanent Disability as defined in this Agreement. The Coach shall cooperate in arranging for, and in permitting the physician to conduct, the examination. The physician shall be directed to inform Purdue and the Coach of the physician's determination, which shall be final, provided that Purdue shall have the right to initiate the procedures in Section 5.4.2 again if Purdue subsequently determines in its reasonable judgment that the Coach's condition may have deteriorated following a determination by the physician that the Coach did not have a Permanent Disability.

5.4.2.5 Beginning on the Disability Date, the Coach shall have no further obligations to provide services under this Agreement, the Coach's employment as head coach of the Program shall terminate, and Purdue shall have the option to hire another person to serve as the head coach of the Program. Notwithstanding the preceding sentence, the Coach shall remain an employee of Purdue, and Purdue shall continue to pay or provide any Base Salary, Retirement Contributions, Benefits, Supplemental Stipend, and Bonus which have accrued and/or been earned, until the later of (i) the date on which the Coach has used all of his remaining paid sick leave or paid vacation days under Purdue's policies then in effect or (ii) 180 days following the Disability Date, at which time (a) this Agreement shall terminate automatically, (b) Purdue shall have no further obligation to make any payments or to provide any Benefits or other consideration under this Agreement or otherwise, other than long term disability benefits, if any, which are then payable by Purdue under any Purdue benefit plan, and (c) the Coach shall retain whatever rights a similarly situated administrative or professional employee of Purdue would have to remain a Purdue employee on leave without pay, pending a determination of eligibility for long term disability benefits or other benefits, if any, to which such an employee would be entitled under Purdue policies then in effect.

6.0 **Outside Income and Activities.** Purdue recognizes that the Coach may be offered opportunities to receive Outside Income and to participate in outside activities. The Coach may only accept such opportunities on the following terms and conditions.

6.1 **Obligations To Purdue Are Primary.** The Coach shall not accept any offer of Outside Income requiring the Coach to engage in activities that would interfere with the full and complete performance by the Coach of his duties under this Agreement and otherwise as a Purdue employee.

6.2 **Compliance With Regulations.** The Coach shall not accept any Outside Income if such action would violate NCAA Regulations, Big Ten Regulations, and/or Purdue Regulations.

6.3 **Purdue Policies.** The Coach shall not (i) accept any athletically-related Outside Income without requesting and obtaining the prior written approval of the Athletic Director, which approval shall not be unreasonably withheld, or (ii) engage in any activity involving a conflict of interest, or engage in any outside activity, or accept any Outside Income, without first making all disclosures and obtaining all approvals required by Purdue policies.

6.4 **Income.** The Coach shall be entitled to retain all revenues he receives from outside activities obtained in conformance with this Section 6.0.

6.5 **No Purdue Responsibility.**

6.5.1 **No Guarantee.** Purdue does not promise or guarantee in any way that the Coach will receive Outside Income or will be offered the opportunity to participate in outside activities. The Athletic Director will not unreasonably withhold his or her approval and support when reviewing a request by the Coach to receive Outside Income and/or to engage in outside activities, but Purdue has no obligation to approve any requests by the Coach to receive Outside Income or to engage in outside activities.

6.5.2 **No Liability.** Purdue shall have no liability to the Coach at any time in connection with the payment of Outside Income, any termination of Outside Income (whether due to a termination of this Agreement for any reason, or to any other cause), or the absence of opportunities for the Coach to earn Outside Income or participate in outside activities.

7.0 **General Provisions.**

7.1 **Grievance Procedures.** Except with respect to finding Cause and imposing discipline if Cause is found, which are governed exclusively by Section 5.3.2 above, if the Coach is dissatisfied with Purdue's performance as an employer under this Agreement, he may request a meeting with Purdue's president to discuss and attempt to revolve the issue. If the president does not resolve the issue to the Coach's satisfaction, he may proceed under Section 7.9 to resolve the dispute without first being required to proceed under the grievance procedures normally applicable to employees holding Administrative/Professional Staff appointments at Purdue's West Lafayette Campus, provided that the Coach shall remain subject to Purdue grievance procedures applicable to any grievance or complaint which might be filed against the Coach by any other person.

7.2 **University Signature and Approval.** This Agreement shall not become effective until signed by the Athletic Director with the approval of its President.

7.3 **No Assignment.** The Coach's rights and interests under this Agreement may not be assigned, pledged or encumbered by the Coach.

7.4 **Tenure.** This Agreement does not make the Coach eligible for tenure at Purdue.

7.5 **Publicity Rights.** For so long as this Agreement remains in force, Purdue shall have the right to use the Coach's name, likeness, and image in support of Purdue, its athletics department, and the Program.

7.6 **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to its subject matter and supersedes all prior agreements and contracts, and all prior written or oral communications or understandings, between the Parties.

7.7 **Changes.** This Agreement may only be changed by a written modification signed by both Parties.

7.8 **Applicable Law.** The Parties stipulate that this Agreement has been entered into in West Lafayette, Indiana and is governed by the substantive laws of Indiana without reference

to its choice of law principles.

7.9 Disputes.

7.9.1 Mediation. Before either Party files a lawsuit under Section 7.9.2 below, the Parties agree to use best efforts in good faith to settle the dispute by participating in non-binding mediation to be conducted by a mutually agreeable mediator to be selected jointly by the Parties at the time of the dispute. If either Party determines after three days of mediation that the dispute is not likely to be settled in a mutually acceptable manner, such Party may then commence litigation. Mediation hearings shall be held in West Lafayette, Indiana, unless the Parties agree otherwise, and shall be governed by the Indiana Rules for Alternative Dispute Resolution.

7.9.2 Courts. Courts in Tippecanoe County, Indiana with subject matter jurisdiction shall have sole and exclusive jurisdiction and venue over all disputes arising under or in connection with this Agreement or its breach which have not been resolved by mediation pursuant to Section 7.9.1 above. The Parties hereby (i) submit to the exclusive jurisdiction and venue of said courts with respect to any such dispute, and (ii) waive any defense or claim that said courts do not represent the preferred venue, lack personal jurisdiction over either Party, or are inconvenient for the Parties or witnesses.

7.9.3 Liquidated Damages in Certain Circumstances. The Parties agree that if Purdue has terminated this Agreement alleging Cause as the basis for the termination, and if a court subsequently rules in a lawsuit under Section 7.9.2 above that Purdue breached this Agreement in connection with such termination, and if Purdue does not appeal such ruling or such ruling is upheld after Purdue has exhausted all appeal rights, the damages which the Coach may have incurred as a result of such termination would be extremely difficult to determine with certainty or fairly or adequately. Therefore, the Parties agree that in such event, Purdue will pay to the Coach, as liquidated damages and not as a penalty, the full amount that Purdue would have been required to pay as a Termination Right Purchase Payment under Section 5.2.1 above if Purdue had elected to terminate this Agreement without Cause instead of for Cause. This amount shall be payable in a lump sum within forty-five (45) days after the date on which all of Purdue's rights of appeal of the court's ruling have been exhausted, or after the time for all appeals has expired, whichever first occurs. The Coach acknowledges and agrees that the payment of said amount as liquidated damages by Purdue shall constitute full, fair and reasonable compensation for all damages and injuries of any type that the Coach may have incurred because of such termination.

7.10 Inferences. This Agreement has been freely negotiated by the Parties. No inference shall be drawn against either Party based on which party drafted any provision in this Agreement.

7.11 Waiver. The failure by either Party to exercise any right under this Agreement on one occasion will not waive that Party's right to exercise the same right on another occasion.

7.12 Severability. If any provision of this Agreement is ruled to be invalid, such ruling will not affect any other provision which can be given effect without the invalid provision.

7.13 Limitation On Damages. Neither Party shall be liable to the other Party for any consequential, special, punitive or exemplary damages of any kind or nature, whether such liability is asserted on the basis of contract, tort, or otherwise, even if the Party is or should be

aware of the possibility of such loss or damages.

7.14 Ownership of Materials and Records. All materials or articles of information, including, without limitation, personnel records, recruiting records, Team information, films, statistics or any other material or data, furnished to the Coach by Purdue or developed by the Coach on behalf of Purdue or at Purdue's direction or for Purdue's use or otherwise in connection with the Coach's employment hereunder are and shall remain the sole and confidential property of Purdue. Within ten (10) days of the expiration of the Term or its earlier termination as provided herein, the Coach shall immediately cause all such materials in his possession or control to be delivered to Purdue.

7.15 Force Majeure. Delay or failure in performing an obligation in this Agreement is not a breach or default to the extent that the delay or failure is due to a cause beyond the reasonable control of the affected Party. Section 5.4.2, rather than this Section 7.15, shall apply if the Coach has or may have a Permanent Disability.

7.16 Notices. All notices shall be in writing and shall be delivered or sent by registered or certified mail, return receipt requested, or by hand delivery acknowledged by a signed receipt, to the following addresses, which may only be changed by written notice.

Notices To Purdue:

Director of Intercollegiate Athletics
Purdue University
1000 North University Street
West Lafayette, IN 48907

Notices To The Coach:

Exclusive Sports Group, LLC
C/o Andrew Baker, President
201 South Capital Avenue
Indianapolis, IN 46225

IN WITNESS WHEREOF, the parties have signed this Agreement on the dates written below.

Purdue University

By: Morgan J. Burke
Morgan J. Burke, Director of
Intercollegiate Athletics

Date: 12-13-11

Coach

By: [Signature]

Date: 12-13-11

Approved:

By: France A. Córdoba
France A. Córdoba, President

Date: Dec. 20, 2011

Exhibit A

Administrative/Professional Position Description

Human Resource Services PD
July 09

PURDUE UNIVERSITY POSITION DESCRIPTION

WHEN to submit a staff Position Description (PD):

- ❖ To establish a new staff position
- ❖ To post a staff position and there is not an electronic copy of the PD on file with Human Resources
- ❖ The purpose/scope of the position has significantly changed prompting a classification review
- ❖ To transfer a staff position to a new or existing org unit

HOW to submit the form:

- ❖ If using a Word version, please submit an e-copy to your Compensation Analyst or appropriate HR Team, followed by a signed copy in campus mail.
- ❖ If using a PDF version, please submit the signed electronic copy to your Compensation Analyst or appropriate HR Team.

INSTRUCTIONS for filling out the form:

- ❖ Please make sure to use the most current form when creating a new position or updating an existing position
 - Business@Purdue – People – Positions – Position Description
 - or
 - <http://www.purdue.edu/hr/Resources/ps-forms.html>
- ❖ Navigating Key Strokes:
 - Tab Key: Allows you to move from one field to the next
 - Shift + Tab Key: Allows you to go back to the previous field
- ❖ Drop Down Menus (SELECT ONE): Allows you to click on the arrow and choose the correct option
- ❖ Form Fields (): Allows you to enter text

ONLY posting a position:

- ❖ If you are posting a position with no changes to the PD and HR has a copy on file: submit a signed Posting Form (pages 8 & 9) via campus mail to *HRS-Compensation/FREH* or the appropriate HR Team.

REQUIRED FIELD (if applicable):

Current/Previous incumbent Information

Please indicate the reason for the vacancy of this position: **SELECT ONE**

Comparable Positions:

Additional Comments:

**PURDUE UNIVERSITY
POSITION DESCRIPTION**

USE THE TAB KEY TO MOVE FROM FIELD TO FIELD

Date: 1/13/2010

Reason: **Classification Review Only**

Was this position created to support ARRA-funded projects? No If yes, is the position directly paid for by ARRA funds? **SELECT ONE**

Intercollegiate Athletics 311 14794
Org Unit Name Org Unit # Position ID #

Supervisor Name: Morgan Burke

Supervisor Title: Director of Intercollegiate Athletics

Supervisor Position ID: 13409

Phone: 43189

E-mail: mbj@purdue.edu

Position title: **Head Basketball Coach - Men's**
(Final determination rests with HRS)

Employee Group *(Final determination rests with HRS)*

Non-exempt: **SELECT ONE**

Exempt: **Management/Professional**

Time Reporting: Full time Part time (< 1.00) % = ____ Shift: **Day**

Employee Subgroup: **Non-exempt position SELECT ONE Exempt position FY 12**

Education: Indicate the minimum education required. **BA/BS degree**

List the required and/or preferred course work or degree field(s):

Bachelor's degree required. Degree field in an area that provides a knowledge base in exercise, physiology or physical performance preferred

Experience: Indicate the minimum years of experience required. **5 yrs**

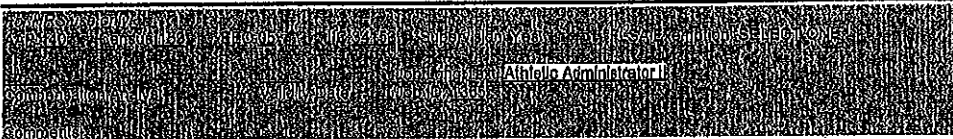
Describe the type of experience required and/or preferred:

Five years coaching experience at the collegiate level. Playing experience at the collegiate level or above may be substituted for coaching experience.

Knowledge, Skills, Abilities: List any knowledge, skills, or abilities, special training, certificates or licenses.

Knowledge of sport-specific fundamentals, techniques, and safety rules and regulations. Ability to analyze, interpret, communicate and adhere to University, Big Ten Conference, and NOAA policies, procedures. Excellent communication (oral and written, interpersonal, presentation and facilitation), planning, organizational, interviewing, strength training and counseling skills. Ability to recruit under highly selective academic and athletic standards on a national level, instruct and motivate student-athletes on sport fundamentals, techniques and safety rules and regulations, provide academic mentoring, and serve as a positive role model. Ability to influence and build positive relationships among diverse individuals including: student-athletes, parents, coaches, faculty, staff, students, media, and general public. Must be able to foster a participative management style that utilizes teamwork to successfully guide the work of others. Must possess a learning orientation to changing rules, regulations, and technology impacting the sport. Ability to plan and administer an annual budget. Personal computer and related software skills, e.g., word processing, spreadsheets, data query, Internet, etc., necessary.

Does this position require a Criminal Conviction Records Check? **Yes** Reason: **Department Requested (1)**



POSITION SUMMARY: What is the main purpose of this position? Why does it exist?
Direct all aspects of the Men's Basketball Program. Manage a well organized and effective sports program that meets established short and long term athletic, academic, personnel and fiscal objectives.

ESSENTIAL DUTIES AND RESPONSIBILITIES include but are not limited to the following:

Describe the essential responsibilities of the position in order of importance. Essential responsibilities are those functions, if removed, would fundamentally alter the purpose of the position. It is not necessary to list each individual task. Percentages should be listed in no less than 6% increments and must total 100%.

USE THE TAB KEY TO MOVE FROM FIELD TO FIELD

Essential	Percent
COACHING	35%
- Establish the direction, training and motivation to assistant coaches and student-athletes for efficient and effective practices and competition.	
- Establish the program standard for adherence to sport performance principles, game strategies, and safety rules and regulations.	
- With input from assistant coaches, evaluate performance of student-athletes in all practice sessions and competitive games, and analyze data/statistics for achievement of athletic objectives.	
- Determine the priorities in the execution of all practice sessions.	
- Integrate staff scouting reports into game preparation and strategies.	
RECRUITING	35%
- With input from assistant coaches, direct all aspects of the process of recruiting highly selective academic and athletic student-athletes. Determine whether or not to extend official campus visits and/or athletic grant-in-aid support.	
- Provide final assessment of student-athletes academic, athletic sport-specific abilities.	
- Manage all budgetary aspects of a "head-count" sport.	
- Adhere fully to all University, Big Ten Conference and NCAA policies, rules, regulations.	
STRENGTH AND CONDITIONING/WELLNESS	5%
- With input from support staff, manage all aspects of the student-athletes overall physical preparation and health status.	
- Provide annual review of records, stats and game data in evaluating effectiveness of strength, conditioning, and training goals.	
ACADEMIC STUDENT-ATHLETE SUPPORT	15%
- Manage all aspects of the student-athletes academic progress and success.	
- Provide academic mentoring and modeling.	
- With input from athletic director, assistant coaches, and support staff determine course of action to resolve S-A athletic, academic or behavioral problems as they arise.	
SUPERVISION	5%
- Select, hire and develop assistant coaches to support the academic, athletics, social and public goals of the program	
- Conduct performance expectation setting and reviews through the year	
OTHER	5%
- Develop, manage and oversee all aspects of the sport-specific annual budget.	
- Proactively develop and maintain a positive and effective rapport with coaching colleagues at all levels, members of the local and national media, and the University's faculty, staff and student-body.	
- Regularly and actively participate in the development, alumni and outreach activities that promote the image and fiscal success of the Department of Intercollegiate Athletics.	

SUPERVISION ROSTER

Intercollegiate Athletics
Org Unit Name

311
Org Unit #

14794
Position ID #

Supervision exercised: Must be listed as an essential responsibility of the position and described along with the percentage of time under the "Responsibilities Section" on the previous page.

Functional: limited to assigning, instructing and reviewing work of others. Also includes hiring, terminating and pay decisions for both undergraduate and graduate student employees.

- Indicate the total number of Monthly exempt staff this position functionally supervises: 4
- Indicate the total number of Bi-weekly non-exempt staff this position functionally supervises: 1

Temporary/Student(s) supervision: List the total number of positions supervised below.

- Monthly temporary/Grad student(s): _____ Hourly temporary/Student(s): _____

Administrative: responsible for making decisions/recommendations for hiring, terminations, pay adjustments, promotions and training of direct reports as well as performing other supervisory duties. (If revising existing position, only list changes to reporting below.)

- Indicate the total number of Monthly exempt staff this position administratively supervises: _____
- Indicate the total number of Bi-weekly non-exempt staff this position administratively supervises: _____

List IDs of the position(s) below:

(Required) List the IDs of the Position(s) (not the person) for each direct report this position administratively supervises. Must match the total number listed above. Do not include graduate student, temporary, or grouped positions.

Monthly exempt:							
19288	19520	21351	22052				

(Required) List the IDs of the Position(s) (not the person) for each direct report this position administratively supervises. Must match the total number listed above. Do not include undergraduate student, temporary, or grouped positions.

Bi-weekly non-exempt:							
20664							

PHYSICAL, ENVIRONMENTAL, AND HAZARDOUS SPECIFICATIONS

Identify below the physical, environmental, and hazardous conditions under which the essential responsibilities of the position are performed.

Physical Requirements

From the list of physical requirement descriptions below, check the box that best describes the physical requirements of the position.

- | | |
|---|--|
| 1. <input type="checkbox"/> SEDENTARY ACTIVITY: Lift and carry up to 10 lbs. occasionally; sedentary work involves sitting most of the time. | 4. <input type="checkbox"/> MODERATE PHYSICAL ACTIVITY: lift and carry 25 to 50 lbs. frequently, and up to 60 lbs occasionally. |
| 2. <input type="checkbox"/> LIMITED PHYSICAL ACTIVITY: Lift and carry up to 10 lbs. frequently, and up to 20 lbs. occasionally. | 5. <input type="checkbox"/> HEAVY PHYSICAL ACTIVITY: lift and carry 50 to 80 lbs. frequently, and up to 100+ lbs. occasionally. |
| 3. <input checked="" type="checkbox"/> LIGHT PHYSICAL ACTIVITY: Lift and carry 10 to 25 lbs. frequently, and up to 40 lbs occasionally. | |
- *Occasional is defined as <50 percent of the time.
**Frequent is defined as >50 percent of the time.

Machines, Tools, Electronic Devices & Office Equipment

List the machines, tools, electronic devices, office equipment or other equipment necessary to perform the job.

- | | | |
|------------------------------------|----------------------|---------------------------------|
| 1. <u>Personal Computer</u> | 2. <u>Cell Phone</u> | 3. <u>Video Analysis System</u> |
| 4. <u>General Office Equipment</u> | 5. _____ | 6. _____ |

Environmental and Hazardous Conditions

Check the boxes that best describe the environmental and hazardous conditions of the job.

- | | |
|--|--|
| 1. Work Indoors (% of time: <u>95%</u>) | Work outdoors (% of time: <u>5%</u>) |
| 2. Respiratory Conditions: Involving exposure to:
<input type="checkbox"/> Gases <input type="checkbox"/> Inadequate ventilation | <input type="checkbox"/> Fumes/vapors <input type="checkbox"/> Dust <input type="checkbox"/> Odors
<input type="checkbox"/> Other conditions (list) _____ |
| 3. Skin Conditions: Involving exposure to:
<input type="checkbox"/> Electrical shock | <input type="checkbox"/> Toxic chemicals <input type="checkbox"/> Radiation <input type="checkbox"/> Burn
<input type="checkbox"/> Other conditions (list) _____ |
| 4. Working Conditions: Including use of, or exposure to:
<input type="checkbox"/> Heavy machinery
<input type="checkbox"/> Working on scaffolding and high places
<input type="checkbox"/> Steam pipes and/or tunnels
<input type="checkbox"/> Biological and/or chemical agents
<input type="checkbox"/> Extreme cold (temperatures below 32°)
<input type="checkbox"/> Extreme heat (temperatures above 90°)
<input type="checkbox"/> Other conditions (list) _____ | <input type="checkbox"/> Machinery with moving parts <input type="checkbox"/> Vibration
<input type="checkbox"/> High voltage electricity <input type="checkbox"/> Lasers
<input type="checkbox"/> Grease and oils <input type="checkbox"/> Cramped working quarters
<input type="checkbox"/> Infectious diseases <input type="checkbox"/> Use of sharp objects
<input type="checkbox"/> Noise (work requires employee to shout to be heard)
<input type="checkbox"/> Handling or maintaining animals |

DEPARTMENTAL/SCHOOL APPROVALS

Approval to Establish/Modify Position: As supervisor of this position, I am certifying that this description is an accurate reflection of the primary purpose of the position and that the essential duties and responsibilities listed are those that the employee in this position is expected to perform. It does not limit or modify my responsibility or authority to assign and direct the work of the employee.

Supervisor Signature - **REQUIRED** _____ Date _____

Department Head Signature - **REQUIRED** _____ Date _____

Fiscal Authorization Signature - **REQUIRED** _____ Date _____
(e.g., Business Office/Director/VP)

Exhibit B

1.0 Achievement Bonuses.

1.1 Purdue will calculate the GSR for the Team for each academic year. If the Team's GSR for an academic year equals or exceeds the national graduation success rate for Division I NCAA men's basketball teams for such year, Purdue will pay the Coach a GSR Bonus payment equal to 6.0% of the Performance Bonus Base, provided that no Bonus payment shall accrue or be payable under this Section in any academic year in which the Program is subject to "immediate penalties," known also as contemporaneous penalties, as defined on the NCAA website in connection with its academic reform efforts.

1.2 Before the beginning of each fall semester, the Athletic Director or his or her designee will establish a range for the CGPA for the upcoming academic year that will meet expectations. The CGPA of the Team is comprised of the unweighted average of the cumulative grade point averages of all members of the Team, calculated using Purdue's standard methods for all students. Following the conclusion of each spring semester, the Athletic Director or his or her designee will calculate the CGPA at that time. If the CGPA falls within the range which has been established as meeting expectations, Purdue will pay the Coach a Bonus payment equal to 3.0% of the Performance Bonus Base. In the alternative, if the CGPA exceeds the range which has been established as meeting expectations, Purdue will pay the Coach a Bonus payment equal to 6.0% of the Performance Bonus Base in effect during said academic year. Purdue will make any payment due under this Section in a lump sum as quickly as practicable under Purdue's payment system after calculation of the CGPA for the spring semester then ending, and in all cases no later than forty-five (45) day after such calculation.

1.3 If the Team (i) wins the Big Ten regular season conference championship (including a tie for first), Purdue will pay the Coach a Bonus payment equal to 10.0% of the Performance Bonus Base; (ii) finishes in second place (including a tie), Purdue will pay the Coach a Bonus payment equal to 6.0% of the Performance Bonus Base; or (iii) finishes in third place (including a tie), Purdue will pay the Coach a Bonus payment equal to 3.0% of the Performance Bonus Base.

1.4 If the Team wins the Big Ten post-season tournament, Purdue will pay the Coach a Bonus payment equal to 5.0% of the Performance Bonus Base.

1.5 If following the completion of regular season play in any season the Team participates in the NCAA post-season tournament, Purdue will pay the Coach a Bonus payment equal to 2.5% of the Performance Bonus Base. In addition, the University will pay the Coach a Bonus payment equal to (i) 2.5% of the Performance Bonus Base if the Team win its first game in the NCAA post-season tournament, (ii) an additional Bonus payment equal to 2.5% if the Team wins its second game in said tournament, and (iii) additional Bonus payments of 5.0% of the Performance Bonus Base for each additional win beyond two in said tournament. In addition, if the Team wins three or more games in the NCAA post-season tournament, thereby becoming a member of the "Elite 8," the University will pay the Coach an additional Bonus payment in an amount to be determined by the University's President in consultation with the Athletic Director, provided that said payment shall be at least equal to 10.0% of the Performance Bonus Base.

1.6 If the Team is invited to participate in the NIT post-season tournament and the Team progresses to the Final Four round of competition, Purdue will pay the Coach a Bonus payment equal to 5.0% of the Performance Bonus Base.

1.7 Purdue will make all payments due (if any) under Sections 1.3, 1.4, 1.5, and 1.6 in any season in one lump sum as quickly as practicable under Purdue's payment system following the end of the season, and in all cases no later than forty-five (45) day after such date.

1.8 If during or following any season the Coach is named Big Ten Coach of the Year by either the Big Ten Coaches or the Big Ten Media, Purdue will pay the Coach a Bonus payment equal to 5.0% of the Performance Bonus Base. In addition, if during or following any season the Coach is named National Coach of the Year by any of the organizations recognized in the NCAA Men's Basketball Records Book, Purdue will pay the Coach a Bonus payment equal to 10.0% of the Performance Bonus Base. Purdue will make any payment due under this Section in a lump sum as quickly as practicable under Purdue's payment system after the event which entitles the Coach to receive the Bonus payment, and in all cases no later than forty-five (45) day after such event.

1.9 If in an academic year (i) the CGPA falls within the range which has been established under Section 1.2 above as meeting expectations for said academic year, (ii) the Team finishes the Big Ten regular season in at least a tie for third place, (iii) the Team is invited to participate in the NCAA post-season tournament or qualifies for the tournament by winning the "play-in game," and (iv) the Team wins at least one game in that tournament, Purdue will pay the Coach a Bonus payment of \$50,000.00, which payment shall be in addition to any other Bonus payment(s) which may be payable under Sections 1.2 through 1.5 with respect to said academic year. Purdue will make any payment due under this Section in a lump sum as quickly as practicable under Purdue's payment system after the final event which entitles the Coach to receive a Bonus payment under this Section, and in all cases no later than forty-five (45) day after such event.

1.10 If in an academic year (i) the CGPA exceeds the range which has been established under Section 1.2 above as meeting expectations for said academic year, (ii) the Team finishes the Big Ten regular season in at least a tie for second place, (iii) the Team is invited to participate in the NCAA post-season tournament or qualifies for the tournament by winning the "play-in game," and (iv) the Team wins at least three games in that tournament, Purdue will pay the Coach a Bonus payment of \$75,000.00, which payment shall be in addition to any other Bonus payment(s) which may be payable under Sections 1.2 through 1.5 above, but shall be in lieu of any Bonus payment otherwise due under Section 1.9 above. Purdue will make any payment due under this Section in a lump sum as quickly as practicable under Purdue's payment system after the final event which entitles the Coach to receive a Bonus payment under this Section, and in all cases no later than forty-five (45) day after such event.

1.11 If in an academic year (i) the CGPA exceeds the range which has been established under Section 1.2 above as meeting expectations for said academic year, (ii) the Team finishes the Big Ten regular season in at least a tie for first place, (iii) the Team is invited to participate in the NCAA post-season tournament or qualifies for the tournament by winning the "play-in game," and (iv) the Team wins at least four games in that tournament, Purdue will pay the Coach a Bonus payment of \$100,000.00, which payment shall be in addition to any other Bonus payment(s) which may be payable for academic or athletic achievements under Sections 1.2 through 1.5 above, but shall be in lieu of any Bonus payment otherwise due under Sections 1.9 or 1.10 above. Purdue will make any payment due under this Section in a lump sum as quickly as practicable under Purdue's payment system after the final event which entitles the Coach to receive a Bonus payment under this Section, and in all cases no later than forty-five (45) day after such event.

2.0 Supplemental Stipend. In further consideration of the Coach's (i) performance of his duties under this Agreement, (ii) appearances on television and radio programs produced by or for Purdue, (iii) assistance with Purdue's web site or other media participation related to his position as head coach, and (iv) other personal appearances on behalf of Purdue, Purdue shall pay the Coach a Supplemental Stipend of \$1,756,266.00 per year (in equal monthly installments of \$146,355.50 each), as the same may be increased from time to time under Section 3.0 of this Agreement. Any revenues generated by the activities described in this Section 2.0 shall be received by and belong to Purdue.

3.0 Supplemental Retirement Contributions.

3.1 Supplemental Plans. Purdue will contribute the Supplemental Retirement Contributions into, and in accordance with the provisions of, the Supplemental Plans for the benefit of the Coach.

3.2 Supplemental Retirement Contributions. The Supplemental Retirement Contributions for Supplemental Plan Year 2011/2012 will be \$292,000.00. The Supplemental Retirement Contributions for each subsequent Supplemental Plan Year during the Term will be \$300,000.00, as such amount may be adjusted under Section 3.3 below.

3.3 Plan Expenses. To the extent permitted by law, all costs and expenses for the maintenance and operation of the Supplemental Plans shall be paid from the applicable Trusts. If in any Supplemental Plan Year Purdue incurs (i) any cost or expense directly attributable to the maintenance or operation of the Supplemental Plans which are not permitted by applicable law to be paid from the Trusts, including but not limited to the costs or expense (a) of responding to any examination or inquiry by the IRS regarding the tax qualification of the Supplemental Plans or (b) that are normally paid by a plan sponsor rather than from plan assets, such as the costs of redrafting the Supplemental Plans to maintain their tax qualification, or (ii) any cost or expense which a trustee of one or more of the Trusts assesses upon Purdue because Trust assets are not at that time sufficient to cover the trustee's expenses, Purdue, upon providing written notice to the Coach, may reduce the Supplemental Retirement Contributions for that Supplemental Plan Year by the amount of such costs or expenses reasonably incurred by Purdue, provided always that Purdue shall not have the right to reduce the Supplemental Retirement Contributions on account of any costs that are attributable to or arise out of its failure to timely perform its duties and responsibilities as sponsor of the Supplemental Plans. Further, in no event will costs and expenses of maintaining and operating the Supplemental Plans directly attributable to participation by other eligible employees be borne directly or indirectly by the Coach.

3.4 Tax Qualification. The Parties intend that the Supplemental Plans (other than the governmental excess benefit arrangement referenced below) shall at all times meet the requirements of qualified retirement plans for purposes of Section 401(a) of the Code, and that any governmental excess benefit arrangement that is part of the one or more of the Supplemental Plans will constitute an unfunded, nonqualified plan that meets the requirements of Section 415(m) of the Code, so that the Coach (or the designated beneficiary(ies) of his benefits) shall not incur any income tax liability until actual receipt of Supplemental Plan benefits. In the event of any examination or inquiry by the IRS with respect to any Supplemental Plan, Purdue shall give the Coach written notice within a reasonable time after Purdue receives notice of such exam or inquiry. The Coach and his advisors and representatives shall, at the Coach's sole cost and expense, have the right to consult and participate with Purdue regarding any Purdue response, discussion or negotiation with the IRS. In the event that Purdue declines to assert any right to

respond, appeal or defend the tax qualified status of any Supplemental Plan, Coach shall have the right, at his sole cost and expense, to pursue any defense or process to defend or preserve such status on Purdue's behalf.

3.5 Acknowledgement. The Coach acknowledges that Purdue has made no representations, warranties or guarantees whatsoever regarding the tax consequences to the Coach arising from (i) his participation in the Supplemental Plans, (ii) the actuarial assumptions or calculations utilized in drafting and/or administering any of the Supplemental Plans, (iii) Purdue's contributions to the Supplemental Plans, or (iv) payment of benefits to the Coach (or his designated beneficiary(ies)) under the terms of the Supplemental Plans.

3.6 Release. The Coach, on behalf of himself and his heirs, assigns, and any other person claiming by, under or through him, hereby releases and waives all claims against Purdue and its trustees, officers, employees and agents for any loss or damage (i) arising as a result of any failure of the Supplemental Plans to meet the tax qualifications references in Section 3.4 above, or (ii) otherwise arising in connection with any tax obligation or liability resulting from the Coach's participation in the Supplemental Plans, Purdue's contributions to the Supplemental Plans, or payment of benefits to the Coach (or his designated beneficiary(ies)) under the terms of the Supplemental Plans.

3.7 Cost Control. Purdue will at all times exercise reasonable care to minimize costs and expenses in connection with the maintenance and operation of the Supplemental Plans. In furtherance of the exercise of such reasonable care, Purdue will upon request consult with the Coach in connection with Purdue's selection of suitable trustee(s), investment advisor(s), investment option(s), actuary(ies), and other services providers for the Supplemental Plans.

3.8 Cooperation. The Coach will complete such forms and provide such information as may be requested by Purdue to ensure the proper administration and operation of the Supplemental Plans.

3.9 Permanency. Purdue has established the Supplemental Plans with the intention that they constitute a permanent program for enhancing retirement benefits for the Coach. However, the Coach acknowledges that if in Purdue's reasonable judgment a change in applicable law or other circumstances beyond the reasonable control of Purdue renders continued sponsorship and maintenance of one or more of the Supplemental Plans impracticable or inadvisable, Purdue may terminate one or more of the Supplemental Plans after giving written notice to Coach. In that event, the Parties will consult with each other to determine if they can agree on a mutually acceptable alternative approach. If the Parties cannot agree upon a mutually acceptable alternative approach, then from that point forward Purdue will increase the amount of the Supplemental Stipend by the amount of the Supplemental Retirement Contributions which Purdue would have made had the Supplemental Plans not been terminated, and this Agreement shall otherwise remain in full force and effect in accordance with its terms.

4.0 Additional Perquisites.

4.1 Purdue will sponsor the Coach's membership in the Club, and will pay any initiation fees, monthly dues and assessments on the Coach's behalf, in return for the public relations value to Purdue of the Coach's presence at the Club's various facilities and social contacts with its members and guests, at times of the Coach's choosing, or as reasonably requested by Purdue from time to time.

4.2 Purdue will provide the Coach with a car allowance of \$1,500.00 per month.

4.3 The Coach may conduct sports camps and retain the income therefrom in accordance with Purdue's sports camps policies, as the same may be amended from time to time.

4.4 Purdue will provide the Coach with one athletics department staff pass to the Birck Boilermaker Golf Complex.

4.5 Contingent on the present agreement between Purdue and NIKE, Inc. remaining in force without material amendment, the Coach may order (or, in the Coach's discretion, the Coach's assistant coaches and support staff may order), at no charge, up to a total of \$25,000.00 (at Nike prices) per Fiscal Year of Nike merchandise from "Nike by Mail."

4.6 Purdue shall provide to the Coach, free of charge, (i) eight season tickets to men's basketball games for the Coach's personal use, plus an additional twenty-five single game tickets for each men's home basketball game for business use, (ii) season tickets for the Coach and each of his dependents for football games, (iii) two season tickets for women's basketball games, (iv) two season tickets for volleyball games, (v) twenty tickets to each game in the Big Ten post-season tournament in which the Team is a participant, and (vi) twenty tickets to each game in the NCAA post-season tournament in which the Team is participant.

4.7 The Coach's spouse and children may travel with the Team to away basketball games at Purdue's expense under normal Purdue travel reimbursement policies as they may be changed from time to time.

5.0 Purdue Plane. The Coach will be provided with use of the Purdue plane, subject to availability, for recruiting purposes. Such availability and use are subject to Purdue, Big Ten, and NCAA Regulations.