

**EMPLOYMENT AGREEMENT
HEAD FOOTBALL COACH**

This Employment Agreement ("Agreement") is entered into by and between THE UNIVERSITY OF TENNESSEE ("University"), a public educational corporation of the State of Tennessee, for and on behalf of The University of Tennessee, Knoxville ("UTK") and its Athletics Department, and LYLE "BUTCH" JONES ("Coach"). This Agreement cancels and supersedes any and all prior existing oral and written agreements and understandings between the University and Coach.

WITNESSETH:

In consideration of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties to this Agreement agree as follows:

ARTICLE I – PURPOSE AND TERM OF AGREEMENT

Section 1.1. Subject to the terms and conditions stated in this Agreement, the University agrees to employ Coach, and Coach agrees to serve, as the head coach of the University's intercollegiate football team at UTK ("Head Football Coach").

Section 1.2. The term of this Agreement shall be from December 7, 2012 through February 28, 2019, unless sooner terminated as provided in this Agreement. The parties agree that the effective date of this Agreement shall be December 7, 2012, even if the Agreement's execution date is subsequent thereto. The University may allow this Agreement to expire and elect not to renew Coach's employment as the Head Football Coach without complying with any University Rules applicable to staff-exempt employees who do not serve under a contract of employment for a definite term. Coach agrees that oral agreements to renew or extend this Agreement are invalid and nonbinding.

ARTICLE II – COMPENSATION AND BUYOUT

Section 2.1. As payment and consideration for the services to be performed by Coach under this Agreement, the University agrees to pay Coach an annual salary ("Base Pay") in the amount of Two Hundred Forty-Five Thousand Dollars (\$245,000), subject to all applicable state and federal tax reporting and withholding requirements. The University shall pay the Base Pay to Coach in twelve (12) equal monthly installments in accordance with the University's customary monthly payroll procedures. The Base Pay shall not be increased in accordance with any across-the-board salary increase authorized or mandated for University employees by the State of Tennessee or the University.

Section 2.2. The University agrees to pay Coach additional annual compensation payable from income earned by the University under various broadcast, endorsement and/or consultation contracts ("Supplemental Pay") in the amount of Two Million Seven Hundred and Five Thousand Dollars (\$2,705,000), subject to all applicable state and federal tax reporting and withholding requirements. The University shall pay the Supplemental Pay to Coach each year in twelve (12) equal monthly installments in accordance with the University's customary monthly payroll procedures. In consideration of this additional compensation, Coach agrees, as reasonably directed by the Chancellor of UTK ("Chancellor") or the UTK Vice Chancellor and Athletics Director ("Athletics Director"), to: participate to a reasonable degree in radio, television, and other media shows, programs and appearances relating to the University's multi-media rights contract; carry out to a reasonable degree endorsement or consultation services as provided in the University's contracts with its department-wide athletics shoe, equipment, and apparel manufacturer; carry out endorsement or consultation services as provided in the University's contract with the University's multi-media rights partner; and perform to a reasonable degree various public relations, alumni relations, community service, and fundraising services on behalf of the University. Such services shall not unreasonably interfere with Coach's obligations with respect to games, practices or recruiting, or his preparation for games or practices.

Section 2.3. The University agrees to pay Coach a one-time signing incentive in the amount of Five Hundred Thousand Dollars (\$500,000) on or before January 31, 2013, subject to all applicable state and federal tax reporting and withholding requirements.

Section 2.4. In recognition of exemplary athletic performance by the football team and the additional work required therewith, and as an incentive for Coach to assist the football team in achieving the athletic goals described below, the University agrees to pay Coach, if earned, annual incentive compensation in an amount equal to the sum of the highest amounts described in the following subsections, subject to all applicable state and federal tax reporting and withholding requirements:

- a. A maximum of one (1) of the following (payment based on highest goal achieved in this subsection):
 - i. Winning the SEC Championship Game \$150,000
 - ii. Appearing in the SEC Championship Game \$100,000

- b. A maximum of one (1) of the following (payment based on highest goal achieved in this subsection):
 - i. Winning the FBS National Championship Game (or BCS Championship Game) \$500,000
 - ii. Appearing in the FBS National Championship Game (or BCS Championship Game) \$400,000
 - iii. Appearing in the Four-Team Playoff \$350,000
 - iv. Appearing in a BCS bowl game \$300,000
 - v. Appearing in a SEC 1st through 6th pick bowl game \$200,000
 - vi. Appearing in a SEC 7th pick or later bowl game \$100,000

- c. A maximum of one (1) of the following (payment based on highest goal achieved in this subsection):
 - i. Top 10 Finish in the AP, USA Today/Coaches, or BCS Polls \$100,000
 - ii. Top 25 Finish in the AP, USA Today/Coaches, or BCS Polls \$50,000

- d. Either or both of the following:
 - i. AP National Coach of the Year \$100,000
 - ii. AP SEC Coach of the Year \$50,000

- e. A maximum of one (1) of the following (payment based on highest goal achieved in this subsection):
 - i. Single year APR of 965 or greater \$100,000
 - ii. Single year APR of 945 or greater \$50,000

Annual incentive compensation due under this Section 2.4 shall be paid by the University on or before March 1 following the conclusion of the football season in which the goal was achieved. Annual incentive compensation described in this Section 2.4 shall be earned by and payable to Coach only if Coach is employed as the Head Football Coach on the day of the event that forms the basis for the incentive compensation. Beginning with the 2013-2014 academic year, if the football team's Single-Year APR for any academic year is below 930, then Coach shall forfeit Fifty Thousand Dollars (\$50,000) of the annual incentive compensation earned relating to the football season immediately following the finalization of APR scores (following the APR adjustment period). If no annual incentive compensation has been earned, then the Fifty Thousand Dollars (\$50,000) will be withheld from Coach's paycheck equally from January 1 to March 31, or, if applicable, from Coach's final paycheck or the first liquidated damages payment due under

Section 3.1.

Section 2.5. The University agrees to pay Coach compensation in the amount of Ten Thousand Dollars (\$10,000) for the performance of services in connection with summer football camps. Such compensation shall be paid annually on or before July 31.

Section 2.6. The University, in its sole discretion as to which option it selects, shall provide Coach with either: (1) two (2) vehicles of a quality, in terms of make and model, similar to vehicles provided to its previous head football coaches, for his personal use; or (2) compensation in the amount of Sixteen Hundred Dollars (\$1,600) per month as a vehicle allowance in lieu of Coach's participation in the courtesy vehicle program. The University shall be solely responsible for maintaining liability insurance coverage on vehicles provided to Coach under the courtesy vehicle program. Coach shall be solely responsible for maintaining full comprehensive and collision insurance coverage on the courtesy vehicles, for paying fuel costs, and for otherwise complying with the courtesy vehicle program. Coach acknowledges that the value of the courtesy vehicles or the amount of a vehicle allowance will be reported as income and that Coach shall be responsible for payment of any income taxes associated with the vehicles or a vehicle allowance.

Section 2.7. The University shall provide Coach with a one-time moving allowance of \$40,000 in accordance with University Rules.

Section 2.8. The University will furnish Coach with the following complementary tickets during the term of this Agreement:

- a. Eight (8) season football tickets in the lower bowl in Neyland Stadium;
- b. Use of a suite in Neyland Stadium for use by Coach's family and guests during all home football games, including the sixteen (16) tickets in connection therewith; and
- c. Two (2) football season parking passes.

Section 2.9. The University shall include Coach in the University's athletic play/practice insurance to the same extent as other coaches. The insurance coverage is subject to an annual bid process, and the type and amount of coverage may change from year to year.

Section 2.10. As a regular full-time employee of the University, Coach is eligible for participation in the same fringe benefit programs for which other similarly situated regular full-time employees are eligible. The Base Pay shall be used to determine benefits that are based on salary.

Section 2.11. Coach understands and agrees that federal and state law limit the compensation on which the University may make retirement contributions. The University agrees to make the maximum annual amount of retirement contributions allowed by federal and state law for Coach. Retirement contributions shall be made periodically in accordance with the University's business practices.

Section 2.12. The University shall be responsible for the payment of Coach's liquidated damages obligation (\$1,400,000) to the University of Cincinnati resulting from his acceptance of employment with the University (the "Expense"). The University has authorized this amount to be paid as a reimbursable employee business expense of Coach and does not consider it compensation. The University acknowledges that payment of the Expense was necessary to obtain the services of Coach, and therefore substantially benefits the University. Further, the University has determined that the requirements of its accountable plan have or will be satisfied with respect to the Expense. Coach acknowledges that he has not and will not be reimbursed for this expense from any other source. Additionally, Coach acknowledges that he will not take a deduction for the Expense on his personal income tax return. Should the Expense be determined to be non-qualified under the University's accountable plan or if it taxed as Coach's income, the University will neutralize the actual tax impact to Coach resulting from the University's payment of the Expense. In such case, Coach must claim all deductions allowable under applicable tax law, including the Expense. The

parties will review Coach's pertinent tax information, including signed income tax returns (and any amended returns) for 2012 (or other applicable tax year) to substantiate such amount as is necessary to effectuate this desired outcome.

Section 2.13. All compensation under this section is subject to all applicable state and federal tax reporting and withholding requirements.

ARTICLE III – TERMINATION

Section 3.1. Termination by University Without Cause

Section 3.1.1. In its sole discretion and at any time during the term of this Agreement, the University may terminate this Agreement without "cause" (as defined in Section 3.2.2 below) upon written notice to Coach. If the University terminates this Agreement without cause at any time during the term of this Agreement, then the University shall pay Coach liquidated damages in an amount equal to Two Million Dollars (\$2,000,000) times the number of Full Contract Years remaining in the term of this Agreement (and prorated for any partial Full Contract Year). For the purposes of this Section 3.1, the term "Full Contract Year" means a three hundred and sixty five (365) day period beginning on March 1 of one year and ending on February 28 of the following year. Payment of the liquidated damages shall be made in equal monthly installments over the remaining term of this Agreement, subject to all applicable state and federal tax reporting and withholding requirements, with the first payment due on or before the last day of the month following the date of termination of this Agreement.

Section 3.1.2. If the University terminates this Agreement without cause, then all obligations of the University to Coach under this Agreement other than earned but unpaid compensation and the obligation contained in Section 3.1.1 shall cease as of the date of any such termination, and Coach shall be eligible for any post-termination benefits applicable to other regular full-time employees who terminate employment with the University (e.g., COBRA), except payment of accrued and unused annual leave. Payment of the liquidated damages under this Section 3.1 is in lieu of any and all other legal remedies or equitable relief. In no event shall the University's liability in the event of a termination without cause pursuant to this Section 3.1 include payment of fringe benefits, the payment of accrued and unused annual leave, the amounts payable under Article II, or any other athletically related income or benefits derived by virtue of Coach's position as the Head Football Coach. Coach understands and agrees that the University's decision to terminate this Agreement without cause is not subject to any University Rules.

Section 3.1.3. The parties have bargained for and agreed to the liquidated damages provision in this Section 3.1, giving consideration to the fact that termination of this Agreement without cause by the University prior to its expiration may cause Coach to lose certain benefits and incentives, supplemental compensation, or other athletically-related compensation associated with Coach's employment with the University, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by the University and the acceptance thereof by Coach shall constitute adequate and reasonable compensation to Coach for any damages and injuries suffered by Coach because of such termination by the University. The liquidated damages shall not be, nor be construed to be, a penalty.

Section 3.1.4. Coach is required to use his reasonable best efforts to mitigate the University's obligation to pay liquidated damages under this Section 3.1 by making reasonable and diligent efforts as soon as practicable following termination to obtain another comparable employment or paid services position. Without limiting the types of positions that are comparable, Coach agrees that the following positions shall be deemed comparable for the purpose of this Section 3.1.4: assistant or head football coach at a college or university; professional football assistant or head coach; and

athletics administrator at a college or university. If, following a termination of this Agreement by the University pursuant to this Section 3.1, Coach obtains any other comparable employment or paid services position prior to the date this Agreement would have expired, the parties agree that the liquidated damages owed by the University pursuant to Section 3.1 shall be offset and reduced dollar-for-dollar by the gross income received, either directly or indirectly, from the comparable employment position or other paid services position, which shall include base salary or wages, employee benefits, endorsement pay, talent fees, consulting fees, honoraria, coaching related publications, speaking engagements, and other income of any kind whatsoever. Coach shall not structure the timing of income in order to avoid his obligations or the reduction of liquidated damages owed by the University under this Section 3.1. While the University's obligation to pay liquidated damages is in effect, and for a period of six (6) months thereafter, Coach shall provide the University with a written accounting all gross income received or earned by him during the immediately preceding quarter. The parties expressly agree that Coach's obligation to report all gross income to the University shall survive termination of the Agreement under this Section 3.1 for the entire period in which the University's obligation to pay liquidated damages is in effect, plus an additional period of six (6) months. If Coach fails either to notify the University of his employment in another comparable employment position or other paid services position or to provide the quarterly written reports of gross income after the University sends a formal, written request to Coach to do so, then, after giving Coach fourteen (14) days' written notice to cure, the University's obligation to continue paying liquidated damages to Coach shall cease.

Section 3.1.5. The automatic termination of this Agreement upon the death or disability of Coach, as provided in Section 3.4 of this Agreement, shall not give rise to a right to liquidated damages pursuant to this Section 3.1.

Section 3.1.6. Coach agrees that nothing in this Section 3.1 shall be construed to conflict with or limit the University's rights set forth in any other part of this Agreement, including but not limited to Section 3.2, Article V, and Article IX.

Section 3.2. Termination by University for Cause

Section 3.2.1. In addition to the grounds for termination of this Agreement under any other part of this Agreement, including but not limited to Section 3.1, Article V, and Article IX, Coach agrees that the University has the right to terminate this Agreement "for cause" (as defined in Section 3.2.2) under this Section 3.2 at any time prior to its expiration.

Section 3.2.2. For purposes of this Section 3.2, the term "for cause" shall mean any one or more of the following as determined in the reasonable and good faith judgment of the University:

- (a) conduct or omission(s) by Coach which constitutes a Level I or Level II violation under the NCAA's enforcement structure effective August 1, 2013 (or major violation under the NCAA's pre-August 1, 2013 enforcement structure), or may lead to an NCAA finding of a Level I or Level II violation (or major violation), of one or more Governing Athletic Rules including but not limited to multiple Level III or Level IV violations of Governing Athletic Rules considered collectively to be a Level I or Level II violation (or multiple secondary violations of Governing Athletic Rules under the NCAA's pre-August 1, 2013 enforcement structure considered collectively to be a major violation), whether the conduct occurred during Coach's employment with the University or another NCAA-member institution;
- (b) conduct or omission(s) by a University employee under Coach's direct or indirect control or a University football student-athlete under Coach's supervision that constitutes a Level I or Level II violation (or major violation under the NCAA's pre-

August 1, 2013 enforcement structure), or likely lead to an NCAA finding of a Level I or Level II violation (or major violation, of one or more Governing Athletic Rules including but not limited to multiple Level III or Level IV violations of Governing Athletic Rules considered collectively to be a Level I or Level II violation (or multiple secondary violations of Governing Athletic Rules under the NCAA's pre-August 1, 2013 enforcement structure considered collectively to be a major violation), if Coach failed to promote an atmosphere of compliance within the football program or to monitor the activities of the employee with duties directly related to football or football-related student-athlete who committed the violation(s);

- (c) failure of Coach to report promptly to the Athletics Director or Athletics Compliance Office any actual knowledge of or reasonable cause to believe that violations of Governing Athletic Rules or University Rules have been committed or are being committed by himself or others;
- (d) an act by Coach constituting a prohibited conflict of interest under University Rules or applicable state law;
- (e) material and prolonged neglect or material and prolonged inattention by Coach to the standards or duties generally expected of University employees and specifically required of Coach under this Agreement;
- (f) one or more acts of fraud by Coach in the performance of his duties under this Agreement;
- (g) sale of complimentary tickets or admissions to an athletics event;
- (h) the provision by Coach of false, misleading, or incomplete information relevant to the conduct of University business, if Coach knew or should have known the information was false, misleading, or incomplete;
- (i) counseling or instructing by Coach of any coach, football staff member, current or former student-athlete, student, or person to fail or refuse to respond accurately and fully within a reasonable time to any inquiry or request concerning a matter relevant to the athletics programs of the University or of another institution of higher education which shall be propounded by the NCAA, SEC, the University, or other governing body having supervision over the athletics program of the University, or which shall be required by law, Governing Athletic Rules, or University Rules;
- (j) conviction of Coach of a criminal act that constitutes either (i) a felony or (ii) a misdemeanor involving moral turpitude (excluding minor traffic offenses);
- (k) failure by Coach to comply with Tennessee laws regarding the mandatory reporting of child abuse and/or child sexual abuse;
- (l) prolonged absence by Coach from his duties under this Agreement, without the consent of the Athletics Director;
- (m) soliciting, placing, or accepting by Coach of a bet or wager on any intercollegiate or professional athletic contest whether through a bookmaker, a pool, or any other person, means, or method, or permitting, encouraging, or condoning such acts by

any person under Coach's direct or indirect control or supervision (i.e., an employee with duties directly related to football), including without limitation a student-athlete;

- (n) furnishing by Coach of information or data relating in any manner to football, or any other sport, or any student-athlete, to any individual known by Coach to be, or whom Coach should reasonably know to be, a gambler, bettor, or bookmaker, or an agent of any such person, or the consorting or associating by Coach with such person;
- (o) failure by Coach to fully and reasonably cooperate in the enforcement and implementation of any drug testing program established by the University, the SEC, the NCAA, or any other governing athletic body, for student-athletes;
- (p) shocking and/or reprehensible conduct of Coach which brings Coach and/or the University into significant public disrepute or scandal;
- (q) gross misconduct by Coach, as defined by University personnel policy now in effect or hereafter adopted by the University. "Gross misconduct" is currently defined by University personnel policy to include only the following: theft or dishonesty; gross insubordination; willful destruction of University property; falsification of records; acts of moral turpitude; reporting for duty under the influence of intoxicants; illegal use, manufacture, possession, distribution, or dispensing of controlled substances or alcohol; disorderly conduct; provoking a fight; and other similar acts involving intolerable behavior by the employee; or
- (r) any other material breach by Coach of his duties under this Agreement if: (i) the breach is capable of being cured and Coach fails to cure the material breach within thirty (30) days after Coach's receipt of written notice by the University specifying the nature of the breach; or (ii) the breach is not capable of being cured.

Section 3.2.3. The grounds for termination contained in Section 3.2.2 are separate and independent grounds for termination, and one ground for termination shall not be interpreted in any manner to modify, explain, or restrict any other ground for termination provided for anywhere in this Agreement.

Section 3.2.4. In its sole discretion, the University may suspend Coach with pay pending an investigation or decision relating to termination for cause under this Section 3.2.

Section 3.2.5. Upon termination of this Agreement for cause, Coach shall not be entitled to further salary, compensation, benefits, or perquisites from the University. Coach waives any and all rights to receive compensation for his accrued and unused annual leave.

Section 3.2.6. For any one or more acts, omissions, or events that would be grounds for termination for cause under this Section 3.2, the University may take other disciplinary or corrective action against Coach short of terminating this Agreement. Other disciplinary or corrective action may include, but is not limited to, one or more of the following: (a) written reprimand; (b) suspension with pay; (c) suspension without pay (not to exceed 90 days); or (d) reassignment to a position that does not involve contact with prospective or enrolled student-athletes or representatives of the University's athletics interests. No such disciplinary or corrective action shall be construed to conflict with or limit the University's right to terminate this Agreement during or subsequent to such disciplinary or corrective action. The University shall have no obligation to use progressive discipline. Any University decision to utilize progressive discipline shall not create any future

obligation on the University to utilize progressive discipline.

Section 3.2.7. Prior to the effective date of termination of Coach's employment or suspension of Coach without pay under this Section 3.2, the University shall afford Coach notice and a reasonable opportunity to meet with the Athletics Director and the Human Resources Officer for the Athletics Department to respond to the proposed termination or suspension. If the University terminates Coach's employment or suspends him for a period of time without pay under this Section 3.2, the University shall afford Coach a post-termination or post-suspension opportunity to contest the action in accordance with the Tennessee Uniform Administrative Procedures Act, Tennessee Code Annotated 4-5-301 *et seq.*

Section 3.2.8. In its sole discretion, the University may elect to terminate this Agreement for cause under this Section 3.2 but offer Coach continued employment with or without a new employment agreement.

Section 3.2.9. Coach agrees that nothing in this Section 3.2 shall be construed to conflict with or limit the University's rights set forth in any other Article of this Agreement, including but not limited to Section 3.1, Article V, and Article IX.

Section 3.3. Termination by Coach

Section 3.3.1. Coach shall have the right to terminate this Agreement at any time without cause. If Coach terminates this Agreement without cause, then Coach shall, directly or indirectly, pay the University liquidated damages according to the following schedule:

<u>Date of Termination by Coach</u>	<u>Liquidated Damages Owed</u>
Prior to February 28, 2014	\$4,000,000
March 1, 2014 – February 29, 2016	\$3,000,000
March 1, 2016 – February 28, 2019	\$2,000,000

Payment of the liquidated damages shall be made within ninety (90) days of the termination of this Agreement. This obligation shall survive the termination of this Agreement and shall continue in full force and effect for all purposes notwithstanding the termination of this Agreement. Payment of the liquidated damages is in lieu of any and all other legal remedies or equitable relief. Upon the termination of this Agreement by Coach without cause, Coach waives any and all rights to receive compensation for his accrued and unused annual leave. The liquidated damages may be waived by the University in writing signed by either the Chancellor or the Chief Financial Officer. Nothing in this Section 3.3 shall be construed to require payment of liquidated damages as a result of an automatic termination pursuant to Section 3.4.

Section 3.3.2. The parties have bargained for and agreed to the liquidated damages provision in Section 3.3.1, giving consideration to the fact that Coach's promise to work for the University for the entire term of this Agreement is an essential consideration in the University's decision to employ him as the Head Football Coach and the fact that the University will commit substantial financial resources to the success of the football program and that if Coach terminates his employment with the University, the University will suffer damages the amount, nature, and extent of which are difficult to determine and which may include, but not be limited to, additional expenses to search for another Head Football Coach, salary or other compensation to hire another Head Football Coach, and tangible and intangible detriment to the football program of the University and support of its fans and donors. Accordingly, Coach acknowledges and agrees that the amount of liquidated damages set forth in Section 3.3.1 is a reasonable and fair approximation of the harm that the

University will incur in the event of such termination by Coach. The liquidated damages shall not be, nor be construed to be, a penalty.

Section 3.3.3. Coach shall promptly notify the Athletics Director in the event Coach has any direct or indirect material negotiations with any entity, or agent or representative of the entity's athletics interests, regarding potential employment by or with another college or university or football entity.

Section 3.3.4. Coach shall have the right, subject to applicable Tennessee law, to terminate this Agreement in the event of a material breach by the University of its duties under this Agreement if: (i) the breach is capable of being cured and the University fails to cure the material breach within thirty (30) days after the University's receipt of written notice from Coach specifying the nature of the breach; or (ii) the breach is not capable of being cured.

Section 3.4. Termination upon Death or Disability of Coach

Section 3.4.1. This Agreement shall terminate automatically upon the death of Coach, and all salary, compensation, benefits, and perquisites shall terminate as of the calendar month in which death occurs, except that the executor or administrator of Coach's estate or other beneficiary specifically designated in writing shall be paid any death benefits due Coach under any University Rules now in effect or hereafter adopted by the University.

Section 3.4.2. This Agreement shall terminate automatically if Coach becomes disabled. "Disabled" shall mean physical or mental incapacity of a nature that prevents Coach from coaching, recruiting, or performing several of the other essential functions of the position of Head Football Coach for a period of one hundred twenty (120) consecutive calendar days. If this Agreement is terminated because Coach becomes disabled pursuant to this Section 3.4.2, all unearned salary, compensation, benefits, and perquisites shall terminate, except that Coach shall receive: (a) any disability benefits to which he is entitled under any disability program in which he is enrolled; and (b) compensation for his accrued and unused annual leave.

ARTICLE IV – DUTIES

Section 4.1. Subject to the provisions of this Agreement, Coach shall devote his full time, skill, and attention to the performance of the duties of the Head Football Coach. Coach shall always report directly to the Athletics Director. Coach's duties as the Head Football Coach shall be as follows:

- (a) Leading, supervising, evaluating, recruiting, training, promoting, and coaching the University's football team within Governing Athletic Rules and University Rules;
- (b) Supporting the University's educational mission by maintaining an environment in which the pursuit of higher education is a priority as may be reflected by football student-athletes' class attendance, grade point averages, graduation rates, and NCAA Academic Progress Rates;
- (c) Performing his duties and personally comporting himself at all times in a manner consistent with good sportsmanship and in accordance with the high moral, ethical, and academic standards of the University. At all times, Coach shall exercise good faith efforts so that all employees and students under Coach's direct supervision, or subject to Coach's direct or indirect control (i.e., a football student-athlete or an employee with duties directly related to football), comport themselves in a like manner;
- (d) Becoming knowledgeable of and complying with any and all Governing Athletic Rules and University Rules, to which Coach acknowledges he has access;

- (e) As contemplated by Governing Athletic Rules, promoting and advancing institutional control over every aspect of the football program; promoting and maintaining an atmosphere of compliance with Governing Athletic Rules and University Rules within the football program; monitoring all employees who report directly or indirectly to Coach, and students on the football team under Coach's supervision, and taking other reasonable steps to ensure that such persons know and strictly comply with Governing Athletic Rules and University Rules including, but not limited to, requiring them to attend compliance education sessions, encouraging them to seek interpretations as necessary, taking compliance into account when evaluating their performance, and applying appropriate disciplinary measures in the event of a violation. The University agrees to cooperate in good faith with Coach in his efforts to fulfill his responsibilities under NCAA Bylaw 11.1.2.1 to promote an atmosphere of compliance and monitor the activities of his staff as contemplated by the then-current NCAA guidance relating to a head coach's responsibilities under NCAA Bylaw 11.1.2.1. The NCAA guidance in effect at the time of the execution of this Agreement is attached hereto as Exhibit A and is hereby incorporated into this Agreement by reference.
- (f) Monitoring all aspects of prospective football student-athlete recruiting, including but not limited to recruiting contacts, evaluations, official visits, telephone calls and other communications, and any travel-related activities of prospective student-athletes and the football program's coaching staff;
- (g) Reporting promptly to the Athletics Director or the Athletics Compliance Office any actual knowledge of or reasonable cause to believe that one or more violations of Governing Athletic Rules or University Rules have been committed or are being committed by himself or others;
- (h) Cooperating fully in any investigation of any aspect of the football program or the intercollegiate athletics program, whether by the NCAA, the SEC, or the University;
- (i) Working cooperatively with the Athletics Compliance Office on compliance matters and Governing Athletic Rules education;
- (j) Performing preliminary assessments and negotiations in scheduling future opponents and making recommendations to the Athletics Director regarding the scheduling of future football opponents;
- (k) Making diligent, good faith efforts to maintain and cultivate effective working relations with governing boards, associations, conferences, committees, alumni, the media, the public, students, faculty, staff, the Thornton Student Life Center, and friends of the University;
- (l) Under the direction of the Athletics Director, making diligent, good faith efforts to maintain responsibility for the fiscal and budgetary functions associated with the football program;
- (m) Performing the duties of a Campus Security Authority under the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act;
- (n) Performing other duties specifically described elsewhere in this Agreement;
- (o) Performing other reasonable duties ordinarily associated with and performed by a head football coach at a major university that participates in intercollegiate football competition at the NCAA Division I Football Bowl Subdivision level; and

- (p) Performing other reasonable and customary football-related duties as may be reasonably assigned by the Athletics Director and/or his or his designee from time to time.

Section 4.2. Coach recognizes and acknowledges the importance of the maintenance and observance of the principles of institutional control as contemplated by Governing Athletic Rules over every aspect of the football program. Coach agrees to recognize and respect the organizational structure of the University in the execution of his duties under this Agreement.

Section 4.3. Coach recognizes that the primary mission of the University is higher education. Coach also recognizes that a student-athlete may be declared not eligible for competition: (i) for academic reasons; (ii) because the University believes the student-athlete would not be an appropriate representative of the University; (iii) because the University believes that the student-athlete is not eligible according to Governing Athletic Rules; and/or (iv) under University Rules. Coach agrees that such action by the University shall not be considered a breach of this Agreement.

Section 4.4. The total annual budget for the aggregate annual compensation (i.e., Base Pay plus Supplemental Pay) for the football assistant coaching staff shall be no less than Three Million Dollars (\$3,000,000). Coach and the Athletics Director will meet annually to discuss the assistant coaches' salary pool, so as to evaluate the University's football program's ability to remain competitive with all other top tier SEC football programs. The parties agree that all employment-related decisions involving assistant coaches and other football personnel are to be made by Coach but subject to approval by the Athletics Director, which shall not be unreasonably withheld, and further subject to compliance with University Rules, including but not limited to the University's policy restricting the hiring of relatives.

Section 4.5. Coach shall receive payment and/or reimbursement for reasonable and necessary expenses incurred in connection with the performance of his duties, subject to applicable University Rules and Governing Athletic Rules. Coach shall receive payment and/or reimbursement for reasonable and necessary travel expenses for his spouse, when it is appropriate that she accompany him outside of the Knoxville area while in the performance of his duties, subject to applicable University Rules and Governing Athletic Rules.

ARTICLE V – ENFORCEMENT OF GOVERNING ATHLETIC RULES; UNIVERSITY DISCLAIMER REGARDING NCAA VIOLATIONS

Section 5.1. Coach agrees that the University, as a member of the NCAA, is required to apply and enforce certain Governing Athletic Rules with respect to all institutional staff members through appropriate disciplinary or corrective action and is further required by NCAA Bylaw 11.2.1 and SEC Bylaw 19.8 to include the following stipulation in this Agreement: If Coach is found in violation of Governing Athletic Rules or responsible for another person's violation of Governing Athletic Rules, he shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures, Article 4 of the SEC Constitution, and/or SEC Bylaw 19.8, including but not limited to suspension without pay or termination of employment for significant or repetitive violations, whether the violation(s) occurred while Coach was employed by the University or during prior employment at another NCAA member institution. For the purposes of this Agreement, the phrase "significant or repetitive violations" shall mean any Level I or Level II violation of one or more Governing Athletic Rules or multiple Level III or Level IV violations considered collectively to be a Level I or Level II violation, whether committed by Coach or for which Coach has been found responsible (or, under the NCAA's pre-August 1, 2013 enforcement structure, any major violation of one or more Governing Athletic Rules or multiple secondary violations of one or more Governing Athletic Rules considered collectively to be a major violation).

Section 5.2. Coach agrees that a finding by the NCAA Committee on Infractions (or, if appealed by the University, by the NCAA Infractions Appeals Committee), or an agreed-on finding approved by the NCAA Committee on Infractions in the course of a summary disposition, that Coach has engaged in or condoned a

Level I or Level II violation of one or more Governing Athletic Rules (or, under the NCAA's pre-August 1, 2013 enforcement structure, a major violation of one or more Governing Athletic Rules), or is responsible for another person's Level I or Level II violation(s) of Governing Athletic Rules (or, under the NCAA's pre-August 1, 2013 enforcement structure, a major violation of one or more Governing Athletic Rules), shall constitute a material breach of this Agreement that is not capable of being cured, and the University, in its sole discretion, may elect to terminate this Agreement, suspend Coach without pay, or take other disciplinary or corrective action against Coach as set forth in the provisions of the NCAA enforcement procedures upon written notice to Coach within sixty (60) days of the finding by the NCAA Committee on Infractions (or, if appealed by the University, by the NCAA Infractions Appeals Committee) or the NCAA Committee on Infractions' approval of the agreed-on finding, whether the violation(s) occurred while Coach was employed by the University or during prior employment at another NCAA member institution.

Section 5.3. Coach agrees to comply with any penalty imposed by the NCAA and/or the SEC pursuant to Governing Athletic Rules, following the exhaustion of any available appeals by Coach, including but not limited to, SEC Bylaw 4.4.3. Any fine imposed personally on Coach by the NCAA and/or the SEC shall be the sole responsibility of Coach. In addition to the University's rights under Section 5.1, Section 5.2, or any other Section of this Agreement, if the NCAA or SEC suspends Coach from coaching in one (1) or more games, then the University may impose a financial penalty on Coach in the amount of \$50,000 for each game for which Coach is suspended. The University shall impose a financial penalty for a game suspension under this Section 5.3 by withholding and deducting the amount of the financial penalty from Coach's paycheck for the month in which the game is played. This obligation shall survive the termination of this Agreement and shall continue in full force and effect for all purposes notwithstanding the termination of this Agreement.

Section 5.4. Upon termination of this Agreement pursuant to this Article V, Coach shall not be entitled to further salary, compensation, benefits, or perquisites from the University. Coach waives any and all rights to receive compensation for his accrued and unused annual leave upon termination of this Agreement pursuant to this Article V.

Section 5.5. In its sole discretion, the University may elect to terminate this Agreement for cause under this Article V but offer Coach continued employment with or without a new employment agreement.

Section 5.6. Prior to implementing any disciplinary or corrective action as contemplated by this Article V against Coach based on a finding by the SEC, NCAA Committee on Infractions, or, if appealed, the NCAA Infractions Appeals Committee, the University shall afford Coach notice and a reasonable opportunity to meet with the Athletics Director and the Human Resources Officer for the Athletics Department to respond to the proposed disciplinary or corrective action. Coach voluntarily waives all rights to a post-termination or post-suspension opportunity to contest a termination or suspension without pay pursuant to this Article V under University Rules and the Tennessee Uniform Administrative Procedures Act, Tennessee Code Annotated § 4-5-301 *et seq.*

Section 5.7. Coach shall forfeit and repay to the University all incentive compensation paid to Coach pursuant to Section 2.4 if any goal achieved is subsequently vacated by the University, the SEC, or the NCAA, or if the football program is subsequently placed on probation by the NCAA (or by the University, if the self-imposed) for violations that occurred in whole or in part during a year for which Coach was awarded incentive compensation. This obligation shall apply regardless of whether the University terminates this Agreement or Coach's employment. This obligation shall survive the termination of this Agreement and shall continue in full force and effect for all purposes notwithstanding the termination of this Agreement.

Section 5.8. Coach shall indemnify the University against all damages, costs and expenses, including attorney's fees, in an amount not to exceed One Hundred Thousand Dollars (\$100,000), incurred by the University as a direct result of any investigation or proceeding resulting in a finding by the University or by the NCAA Committee on Infractions (or, if appealed by the University, by the NCAA Infractions Appeals Committee) that Coach has engaged in or knowingly condoned a Level I or Level II violation of one or more

Governing Athletic Rules or multiple Level III or Level IV violations considered collectively to be a Level I or Level II violation (or, under the NCAA's pre-August 1, 2013 enforcement structure, a major violation of one or more Governing Athletic Rules or multiple secondary violations of one or more Governing Athletic Rules considered collectively to be a major violation). Any amounts payable by Coach under this Section 5.8 shall be paid within sixty (60) days after written notice from the University that such amounts are owed and the University's delivery of all appropriate supporting documentation. This obligation shall apply regardless of whether the University terminates this Agreement or Coach's employment. This obligation shall survive the termination of this Agreement and shall continue in full force and effect for all purposes notwithstanding the termination of this Agreement.

Section 5.9. Nothing in this Article V shall be construed to conflict with or limit the University's rights set forth in any other part of this Agreement, including but not limited to Article III and Article IX.

Section 5.10. The University acknowledges, warrants and represents to Coach that there are no known, anticipated and/or ongoing NCAA investigations of violations of NCAA rules, regulations, bylaws, interpretations or decisions by any current and former University employees in any of the University's sports programs known, anticipated and/or ongoing at time of the execution of this Agreement.

ARTICLE VI – OUTSIDE INCOME AND ACTIVITIES

Section 6.1. Outside Income

Section 6.1.1. Coach understands and agrees that he shall receive the prior written approval of the Athletics Director and the Chancellor (not to be unreasonably withheld or delayed) for all athletically-related income and benefits from sources outside the University. Sources of such income and benefits shall include, but are not limited to, income and benefits from: annuities; sports camps; housing benefits (including preferential housing arrangements); country club memberships; complimentary tickets; television, radio, and other media programs; endorsement or consultation contracts with athletics shoe, apparel, or equipment manufacturers; and any other outside activities described in Section 6.2.

Section 6.1.2. Coach shall submit an annual written detailed report of all athletically related income and benefits from sources outside the University to the Chancellor, through the Athletics Director, on or before August 1 of each year, consistent with the way in which the Athletics Department's collects this information from other employees. Upon request, the University shall have reasonable access to all records of Coach necessary to verify the information contained in such report.

Section 6.2. Outside Activities

Section 6.2.1. Coach understands and agrees that all football camps conducted by Coach at University facilities shall be operated through the University and in accordance with Governing Athletic Rules and University Rules, and that all compensation for coaches and staff shall be paid through the University's payroll or its disbursement voucher system. Coach may use the University's name and logo in connection with any football camps or clinics he conducts at University facilities with prior written approval from the Athletics Director, or his designee (not to be unreasonably withheld or delayed).

Section 6.2.2. Coach shall not, by any statements or appearances on television, on radio, in newspapers, or in magazines or other published media or any promotional material, personally or officially endorse, promote, or advertise for commercial purposes any product or service unless prior written approval has been granted by the Athletics Director and the Chancellor in accordance with Article VI, Section 6.1.1 of this Agreement (said approval not be unreasonably withheld or delayed),

and by the University's multi-media rights partner as contemplated by the University's agreement with the University's multi-media rights partner. Coach shall also receive annual prior written approval from the Athletics Director and the Chancellor for any use, directly or by implication, of the University's name, logo, or other University trademark in the endorsement of commercial products or services. Coach shall include all income and benefits derived from such endorsement activities in the report of all athletically-related income and benefits he must file annually in accordance with Article VI, Section 6.1.2 of this Agreement. All such endorsements shall cease at the termination of Coach's employment as the Head Football Coach.

Section 6.2.3. Coach may serve on corporate boards of directors or enter into personal service contracts for outside employment services, provided (a) prior written approval of the Athletics Director and the Chancellor of the University is received (not to be unreasonably withheld or delayed) and all income and benefits are reported annually in accordance with Article VI, Section 6.1; (b) such activities do not interfere or conflict with his duties at the University or contracts entered into by the University or the University's multi-media rights contractor; (c) University facilities and resources are not used (although Coach shall have the right to be identified as the Head Football Coach of the University of Tennessee); and (d) such activities are conducted in accordance with Governing Athletic Rules.

Section 6.2.4. The University further agrees that Coach may write for publications and speak before public gatherings, provided said writings and speeches are made in the same professional way and manner expected of any member of the administrative staff of the University. The University expressly agrees that any compensation received for such speeches and writings by Coach in the form of honoraria, royalties, and the like may be retained by him in addition to compensation set forth herein; provided, however, that if the University reimburses Coach or otherwise pays for travel or other expenses associated with the receipt of an honorarium, the honorarium shall be remitted in full to the University.

Section 6.2.5. Coach understands and agrees that the University has no responsibility or liability for any claim arising out of Coach's performance of the activities described in Section 6.2 or for any other activity outside the scope of his University employment. In no event shall Coach usurp any corporate opportunities of the University or engage in an activity involving a conflict of interests with his University duties. Outside activities are independent of Coach's employment with the University, and the University shall have no responsibility or liability for any claims arising from Coach's outside activities. In undertaking outside activities, Coach shall make clear to any individual or entity with whom Coach may be involved that Coach is acting in his independent, individual capacity and not as an agent, employee, and/or other representative of the University.

ARTICLE VII – INTELLECTUAL PROPERTY

Section 7.1. Coach grants the University the right during the term of this Agreement to use, and the right to grant to others use of, his name, nickname, initials, facsimile signature, voice, video or film portrayals, photographs, likeness, image, or facsimile image in any manner in connection with any radio, television, and other media shows, programs and appearances, or in connection with any endorsement or consultation contracts entered into by the University or the University's multi-media rights partner.

Section 7.2. Coach covenants and agrees that the University retains, owns, and controls all intellectual property and media rights relating to the University's football program and Athletics Department, including but not limited to all television, radio, internet, and any other form of written or electronic media now known or developed in the future related to the University's football program and Athletics Department, whether produced by the University or through a third-party. Coach further covenants and agrees that the University shall have the exclusive right to designate the media rights and intellectual property holder for all forms of media created during the term of this Agreement.

Section 7.3. Coach covenants and agrees that, upon termination of this Agreement, the University shall have the right, but not the obligation, to continue to use, and to authorize, license, or grant any sponsor, manufacturer, media rights company, or vendor the right to use, any intellectual property or media rights relating to the football program, the Athletics Department, or Coach's employment that were created or produced during the term of this Agreement, notwithstanding the fact that such intellectual property or media rights may contain Coach's name, nickname, initials, facsimile signature, voice, video or film portrayals, photographs, likeness, image, facsimile image, or biographical information. Coach shall have no further right to any compensation for any such continued use by the University unless expressly provided in this Agreement. The use of Coach's name, nickname, initials, facsimile signature, voice, video or film portrayals, photographs, likeness, image, or facsimile image for endorsement purposes shall cease upon termination of this Agreement.

Section 7.4. Except as otherwise provided in this Agreement, Coach shall retain all rights in and to his name and endorsement. Upon expiration or termination of this Agreement, the University shall have no further right to the continued or future use Coach's name and/or endorsement, except as provided explicitly in this Article VII.

Section 7.5. The rights and obligations described in this Article VII shall survive the termination of this Agreement and shall continue in full force and effect for all purposes notwithstanding the termination of this Agreement.

ARTICLE VIII – LIMITATION OF REMEDIES AND WAIVER OF CLAIMS

Section 8.1. The financial consequences of the termination of this Agreement pursuant to Section 3.1, Section 3.2, Section 3.4, Article V, or Article IX are exclusively set forth in this Agreement. In any instance of a termination of this Agreement pursuant to Section 3.1, Section 3.2, Section 3.4, Article V, or Article IX, except as expressly provided for in this Agreement, the University shall have no liability whatsoever to Coach, nor shall Coach be entitled to receive, and Coach hereby waives and releases any and all claims that Coach or his personal representatives may have against the University, its trustees, officers, employees, or agents, and their respective successors, heirs, and assigns for: (a) payment of fringe benefits; (b) accrued and unused annual leave; (c) the amounts payable under Article II or any other athletically related income or benefits derived by virtue of Coach's position as the Head Football Coach; (d) any direct or consequential damages by reason of any economic loss, including, but without limitation, loss of outside or collateral business income or opportunities, talent fees, earning capacity, incentive and supplemental income, benefits, or perquisites; and/or (e) alleged humiliation or defamation resulting from the fact of termination or suspension, the public announcement thereof, or the University's release of information or documents required by law. Coach acknowledges that in the event of the termination by the University of this Agreement for cause, without cause, or otherwise, Coach shall have no right to occupy the position of the Head Football Coach and Coach's sole remedies are provided for in this Agreement and shall not extend to injunctive relief.

Section 8.2. The financial consequences of the termination of this Agreement pursuant to Section 3.3.1 are exclusively set forth in this Agreement. In any instance of a termination of this Agreement pursuant to Section 3.3.1, except as expressly provided for in Section 3.3.1, Coach shall have no liability whatsoever to University, nor shall University be entitled to receive, and University hereby waives and releases any and all claims that University may have against the Coach, said claims to include, without limitation, claims for: (a) any direct or consequential damages; and/or (b) alleged reputational damage, humiliation or defamation resulting from the fact of such termination, the public announcement thereof, or Coach's release of information or documents required by law. Nothing herein shall limit or decrease Coach's liability to University for intentional torts, criminal acts, or fraudulent conduct.

**ARTICLE IX – MATERIAL INDUCEMENT FOR UNIVERSITY’S AGREEMENT
AND RESERVATION OF RIGHTS**

Section 9.1. As a material inducement to the University to execute and perform this Agreement, Coach represents and warrants the following to the University:

- (a) he did not knowingly misrepresent material information, withhold material information, or provide incomplete or false material information during the University’s process of interviewing and hiring Coach for the position of Head Football Coach;
- (b) he has disclosed to the University all material information known to him concerning previous NCAA, conference, or institutional rules violations or potential violations committed by him or any person under his direct or indirect control at any other NCAA member institution prior to the date on which he executed this Agreement;
- (c) he has no knowledge of or reasonable cause to believe there exists an unreported violation or potential violation of any Governing Athletic Rules or University Rules by any assistant coach, staff member, or any other person associated with the football program prior to the date on which he executed this Agreement;
- (d) he has not knowingly furnished the NCAA or the University with false, misleading or incomplete information concerning his, any assistant coaches’, any staff members’ or supporters’ involvement in or knowledge about matters relevant to a possible violation of an NCAA regulation or University Rule when requested to do so by the NCAA or the University;
- (e) he is not restricted from entering into this Agreement by any known conflicting obligations to another authority, person, body, or entity; and
- (f) he has never been convicted of a criminal act that constituted either (i) a felony or (ii) a misdemeanor involving moral turpitude (excluding minor traffic offenses).

Section 9.2. Coach agrees that a breach of any representation or warranty contained in Section 9.1 shall be a material breach of this Agreement that is not capable of being cured, and the University in its sole discretion may elect to terminate this Agreement upon written notice to Coach. In its sole discretion, the University may elect to terminate this Agreement for cause under this Article IX but continue Coach’s employment, with Coach’s agreement, with or without a new employment agreement. Prior to the effective date of termination this Agreement pursuant to this Article IX, the University shall afford Coach notice and a reasonable opportunity to meet with the Athletics Director and the Human Resources Officer for the Athletics Department to respond to the proposed termination or suspension. If the University terminates this Agreement pursuant to this Article IX, the University shall afford Coach a post-termination or post-suspension opportunity to contest the action in accordance with the Tennessee Uniform Administrative Procedures Act, Tennessee Code Annotated 4-5-301 *et seq.*

Section 9.3. Upon termination of this Agreement pursuant to this Article IX, Coach shall not be entitled to further salary, compensation, benefits, or perquisites from the University, including but not limited to any and all rights to receive compensation for his accrued and unused annual leave.

Section 9.4. Coach agrees that nothing in this Article IX shall be construed to conflict with or limit the University’s rights set forth in any other Article of this Agreement, including but not limited to Article III and Article V.

ARTICLE X – DEFINITIONS

The following words, terms, or phrases, when used in this Agreement, shall have the following meanings:

Section 10.1. “APR” shall mean the final Academic Progress Rate calculated by the NCAA under Governing Athletic Rules.

Section 10.2. “Governing Athletic Rules” shall mean: (1) any and all present or future legislation, rules, regulations, directives, written policies, bylaws, and constitutions, and official or authoritative interpretations thereof, and any and all amendments, supplements, or modifications thereto, promulgated by the National Collegiate Athletic Association (“NCAA”) or the Southeastern Conference (“SEC”) or any successor of such association or conference, or by any other athletic conference or governing body hereafter having regulatory power or authority relating to the University’s intercollegiate athletics program; and (2) any and all state or federal laws or regulations regulating college athletics, coaches, staff, student-athletes, or competition.

Section 10.3. “NCAA” shall mean the National Collegiate Athletic Association and its successors and assigns.

Section 10.4. “SEC” shall mean the Southeastern Conference and its successors and assigns, or any other athletic conference of which the University may be a member.

Section 10.5. “University” shall mean The University of Tennessee and its campus located in Knoxville, Tennessee.

Section 10.6. “University Rules” shall mean any and all present or future policies, procedures, rules, regulations, and guidelines of the University, including but not limited to policies of the Athletics Department.

ARTICLE XI – MISCELLANEOUS

Section 11.1. This Agreement contains the complete agreement between the parties concerning Coach’s employment as the Head Football Coach. Neither party has made any representation with respect to the subject matter of this Agreement not specifically included in this Agreement, nor has either party relied on any such representation in entering into this Agreement.

Section 11.2. This Agreement may only be modified by a writing signed by Coach and the Athletics Director, Chancellor, and the Chief Financial Officer of the University.

Section 11.3. The invalidity of any portion of this Agreement shall not and shall not be deemed to affect the validity of any other provision. In the event any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

Section 11.4. Coach acknowledges that no policy or procedures manual, faculty or staff handbook, course of conduct, practice, award, commendation, promotion, transfer, or length of service creates any express or implied contract modifying any part of this Agreement.

Section 11.5. This Agreement shall be interpreted in accordance with Tennessee law.

Section 11.6. The captions of the various provisions contained in this Agreement are not a part of this Agreement and shall not be deemed in any manner to modify, explain, enlarge, or restrict any of the provisions of this Agreement.

Section 11.7. Any notice required or permitted to be given under this Agreement shall be sufficient if given in writing and either (a) delivered in person, (b) sent via electronic mail, or (c) sent by a nationally recognized delivery service (e.g., FedEx, etc.). Notice shall be deemed given when the written notice is (a) delivered in person, (b) sent via electronic mail, or (c) placed with a nationally recognized delivery service. Notice to Coach shall be sent to his campus office or to his University-provided e-mail account(s) with a copy of all such notices (including a fully-executed copy of this Agreement) to be sent to: CAA Sports, 8691 SW 28th Lane, Gainesville, FL 32608, Attn: Trace Armstrong. Coach shall promptly notify the Athletics Director of any change in the name or address of the person to whom a duplicate copy of notice shall be sent. Notice to the University shall be delivered to the Athletics Director at his or his campus office.

Section 11.8. All documents, files, records, materials (in any format, including electronically stored information), equipment, or other property, including without information, personnel records, recruiting records, team information (excluding on-field property such as Coach's plays, defenses, etc.), athletic equipment, films, videos, statistics, keys, credit cards, laptop computers, software programs, and electronic communication devices, furnished to Coach by the University or developed by Coach at the University's direction or for the University's use or otherwise in connection with Coach's employment with the University are and shall remain the sole and confidential property of the University. Within three (3) days of the expiration or termination of this Agreement, Coach shall, upon initiation by the University, complete the University's exit procedure, including returning all University property in his possession. The foregoing provisions shall not apply to Coach's personal notes, personal playbooks, memorabilia, diaries, and similar personal records of Coach, which he is entitled to retain.

Section 11.9. Upon the expiration or earlier termination of this Agreement for any reason, Coach agrees that the University shall be entitled to withhold and deduct from any final payment of any kind that is owed to Coach by the University the amount of any indebtedness owed to the University by Coach, in accordance with the procedures described in University Human Resources Policy 0515.

Section 11.10. The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as subsequently waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no forbearance or waiver had occurred.

Section 11.11. It is expressly agreed that nothing contained in this Agreement shall be construed to constitute a waiver or relinquishment by the University of any rights to claim such exemptions, privileges, and immunities as may be provided by law.

Section 11.12. Coach agrees to be responsible for the payment of any and all taxes due on any and all compensation or benefits provided by the University. Coach agrees to defend, indemnify, and hold harmless the University, its trustees, officers, employees, or agents, and their respective successors, heirs, and assigns from any and all claims or penalties asserted against them for any failure to pay taxes due on any compensation or benefit provided by the University pursuant to this Agreement. Coach expressly acknowledges that the University has not made, nor herein makes, any representation about the tax consequences of any consideration provided by the University to Coach pursuant to this Agreement or otherwise in connection with his employment, except where otherwise explicitly noted.

Section 11.13. This Agreement shall be binding upon the parties and their respective successors, assigns, heirs, and personal and legal representatives, but neither party may assign, pledge, or encumber its respective rights, interests, or obligations under this Agreement.

Section 11.14. Each party hereto shall be viewed as an equal participant to the drafting of this Agreement, and each party agrees that there shall be no presumption against the drafting party.

Section 11.15. Coach acknowledges that he has read and understands this Agreement and agrees that its

provisions are reasonable and enforceable and that he will abide by them.

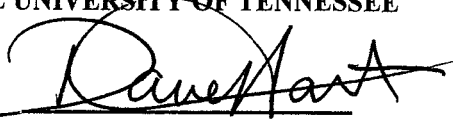
Section 11.16. This Agreement shall not be binding on the University until signed by the Chancellor and the University's Chief Financial Officer. Coach expressly acknowledges that the Athletics Director does not have authority to bind the University with respect to this Agreement, any amendment of this Agreement, or Coach's employment as the Head Football Coach.

Section 11.17. This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown below.

THE UNIVERSITY OF TENNESSEE

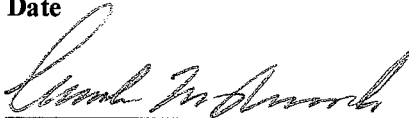
By:



Dave Hart
Vice Chancellor and Director of Athletics

8/19/13

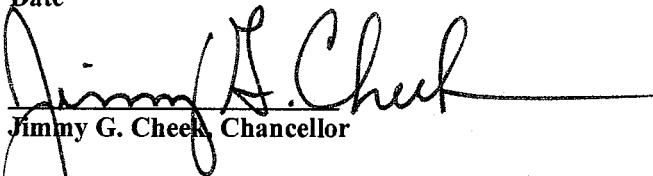
Date



Charles M. Peccolo, Jr.
Treasurer and Chief Financial Officer

8/27/13

Date

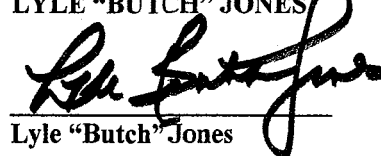


Jimmy G. Cheek, Chancellor

8/22/13

Date

LYLE "BUTCH" JONES



Lyle "Butch" Jones

8/19/13

Date

EXHIBIT A

Head Coach Responsibilities Regarding Compliance with and Violations of NCAA Rules

What is a head coach's responsibility for ensuring NCAA violations do not occur within his or her program?

NCAA Division I Bylaw 11.1.1.1 states that an institution's head coach is **presumed to be responsible for the actions of all assistant coaches and administrators who report, directly or indirectly, to the head coach.** A head coach shall promote an atmosphere of compliance within his or her program and shall monitor the activities of all assistant coaches and administrators involved with the program who report, directly or indirectly, to the coach.

If the NCAA enforcement staff alleges that a head coach violated Bylaw 11.1.1.1 as a result of his/her involvement in a major/Level I or II violation(s), what could happen?

Pursuant to Bylaw 11.1.1.1, a head coach is presumed responsible for major/Level I and Level II violations (e.g., academic fraud, recruiting inducements) occurring within his or her program unless the coach can show that he or she promoted an atmosphere of compliance and monitored his or her staff. After August 1, 2013, if the NCAA Division I Committee on Infractions finds that a head coach violated Bylaw 11.1.1.1, he or she may be suspended, pursuant to a show-cause order, for up to an entire season for Level I violations and up to half of a season for Level II violations. The length of the suspension will depend on the severity of the violation(s) committed by his or her staff and/or the coach himself/herself.

Are there secondary/Level III violations that may result in a suspension of a head coach?

Yes.

Division I Sports Other Than Football and Basketball. Effective August 1, 2013, head coaches may be suspended for identified Level III violations committed by assistant coaches or staff members on or after August 1, 2013. The assistant coach or staff member who commits the violation also would face suspension. The list of identified Level III violations as discussed with the various coaches' associations includes:

- In-person, off-campus contacts during a dead period [particularly during the National Letter of Intent (NLI) signing dead period].
- Exceeding the permissible number of contacts with a prospective student-athlete.
- Intentional or significant game-day simulations and/or impermissible recruiting aids.
- Providing team gear or other inducements to prospective student-athletes.
- Violations that occur as a result of engaging nonscholastic third parties in the recruiting process (e.g., prescheduled unofficial visits that are impermissibly funded, etc.).
- Collective recruiting violations and/or other intentional recruiting violations (e.g., multiple impermissible early phone calls, multiple impermissible contacts, providing inducements).
- Impermissible benefits to student-athletes or inducements to prospective student-athletes by third parties that the coaching staff knows about or is involved with.
- Providing a written offer of athletically related financial aid to a prospective student-athlete prior to August 1 of the prospective student-athlete's senior year in high school.

Beginning August 1, 2013, for **all sports**, suspensions of coaches for designated Level III recruiting violations will be posted in a database on the NCAA website by the enforcement staff.

EXHIBIT A

Head Coach Responsibilities Page No. 2

Division I Women's Basketball. Effective August 1, 2013, head coaches may be suspended for identified Level III violations committed by assistant coaches or staff members on or after August 1, 2013. The assistant women's basketball coach or staff member who commits the violation also would face suspension. The list of identified Level III violations as discussed with the Women's Basketball Coaches Association (WBCA) includes:

- In-person, off-campus contacts during a dead period (particularly during the NLI signing dead period).
- Exceeding the permissible number of opportunities with a prospective student-athlete.
- Intentional or significant game-day simulations and/or impermissible recruiting aids.
- Providing team gear or other inducements to prospective student-athletes.
- Violations that occur as a result of engaging nonscholastic third parties in the recruiting process.
- Collective recruiting violations and/or other intentional recruiting violations (e.g., multiple impermissible early phone calls, multiple impermissible contacts, providing inducements).
- Impermissible benefits to student-athletes or inducements to prospective student-athletes by third parties that the coaching staff knows about or is involved with.
- Providing a written offer of athletically related financial aid to a prospective student-athlete prior to August 1 of the prospective student-athlete's senior year in high school.

Division I Football. Effective August 1, 2013, head coaches may be suspended for identified Level III violations committed by assistant coaches or staff members on or after August 1, 2013. The assistant football coach or staff member who commits the violation also would face suspension. The list of identified Level III violations as discussed with the American Football Coaches Association (AFCA) includes:

- In-person, off-campus contacts during a dead period (particularly during the NLI signing dead period).
- Exceeding the permissible number of contacts with a prospective student-athlete.
- Intentional or significant game-day simulations and/or impermissible recruiting aids.
- Providing team gear or other inducements to prospective student-athletes.
- Violations that occur as a result of engaging nonscholastic third parties in the recruiting process (e.g., prescheduled unofficial visits that are impermissibly funded, etc.).
- Collective recruiting violations and/or other intentional recruiting violations (e.g., multiple impermissible early phone calls, multiple impermissible contacts, providing inducements).
- Holding 7-on-7 events on an institution's campus and/or otherwise attending or being involved in nonscholastic events (NCAA Football Bowl Subdivision only).
- Impermissible benefits to student-athletes or inducements to prospective student-athletes by third parties that the coaching staff knows about or is involved with.
- Providing a written offer of athletically related financial aid to a prospective student-athlete prior to August 1 of the prospective student-athlete's senior year in high school.

EXHIBIT A

Head Coach Responsibilities Page No. 3

Division I Men's Basketball. Effective October 2009, for specific secondary/Level III violations that involve a Division I men's basketball staff member, a head coach may be suspended by the institution at the direction of the enforcement staff. Head coaches will be subject to NCAA tournament or regular season game suspensions for violations in his program involving:

- Camp employment.
- Camp operation.
- Donations to nonprofits.*
- Payment of consulting fees.
- Impermissible entertainment for individuals associated with a prospective student-athlete.*
- Involvement in nonscholastic events on campus.*

* In addition to a term of suspension for the head coach, an involved men's basketball staff member may be subject to a suspension.

Effective August 1, 2013, head men's basketball coaches may be suspended for identified Level III violations committed by assistant coaches or staff members on or after August 1, 2013. The assistant men's basketball coach or staff member who commits the violation also would face suspension. The list of identified Level III violations as discussed with the National Association of Basketball Coaches (NABC) includes:

- In-person, off-campus contacts during a dead period (particularly during the NLI signing dead period).
- Exceeding the permissible number of opportunities with a prospective student-athlete.
- Intentional or significant game-day simulations and/or impermissible recruiting aids.
- Providing team gear or other inducements to prospective student-athletes.
- Violations that occur as a result of engaging nonscholastic third parties in the recruiting process.
- Collective recruiting violations and/or other intentional recruiting violations (e.g., multiple impermissible early phone calls, multiple impermissible contacts, providing inducements).
- Impermissible benefits to student-athletes or inducements to prospective student-athletes by third parties that the coaching staff knows about or is involved with.
- Providing a written offer of athletically related financial aid to a prospective student-athlete prior to August 1 of the prospective student-athlete's senior year in high school.

What can a head coach do to promote an atmosphere of compliance and monitor the activities of his or her staff?
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This document is intended to encourage conversations about the shared responsibilities for NCAA compliance as well as to provide guidance with examples of actions that may be taken in regard to Bylaw 11.1.1.1 legislation. The responsibility for NCAA rules compliance is shared by the various stakeholders on campus (e.g., presidents, directors of athletics, compliance, coaches). The guidance provided within this document is not required nor does it request coaches to write a policy or conduct training – it merely provides suggestions from the enforcement staff in the areas of communication, monitoring and documentation that coaches can use with the various stakeholders on campus.

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The action plans described below may assist a head coach in promoting an atmosphere of compliance and monitoring the activities of his or her staff.

Action Plan: Communication.

A head coach should demonstrate and document a commitment to compliance through ongoing communication with his or her director of athletics, compliance staff and coaching staff. The outline below was created to assist a head coach with managing this dialogue.

- Meet with the chancellor or president to discuss his/her expectations for NCAA rules compliance.
- Meet with the director of athletics to discuss his/her expectations for NCAA rules compliance.
Suggested talking points:
 - Director of athletics' philosophy and expectations on rules compliance.
 - Compliance resources for your program.
 - Program's shared responsibility with compliance staff.
 - Establish a plan in writing for continued dialogue with the director of athletics to discuss the institution's and program's compliance environment and expectations (e.g., regularly scheduled meetings with minutes, etc.).
- Meet with the compliance director to discuss his/her expectations for NCAA rules compliance.
Suggested talking points:
 - Compliance director's philosophy and expectations on rules compliance.
 - Compliance resources for your program.
 - Discuss the compliance staff's and program's expectations for submitting rules interpretations and waiver requests, and determine how to best resolve any disagreements over the submission of such requests.
 - Program's shared responsibility with compliance staff.
 - Expectations for reporting actual and potential NCAA rules issues (e.g., immediate action, reporting lines).
 - Establish a written plan for continued dialogue with the compliance director to discuss the institution's and program's compliance environment and expectations (e.g., regularly scheduled meetings, etc.).
 - Establish a written plan for ongoing dialogue between the coaching staff and compliance staff to discuss key issues facing the sport and program (e.g., agents, initial eligibility, pre-enrollment amateurism, etc.).
- Meet jointly with the president, director of athletics and compliance director to discuss the institution's and program's compliance environment and expectations.
- Meet with the coaching and support staff to discuss the head coach's expectations for NCAA rules compliance. Include a written document outlining the head coach's commitment to ethical conduct along with suggested talking points:
 - Program's ethical standards.
 - Expectations for reporting actual and potential NCAA rules issues (e.g., immediate action; reporting lines).
 - Review the president's, director of athletics' and compliance director's philosophy and expectations for rules compliance.

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- Expectations for regular communication between the coaching staff and compliance staff.
- Establish a plan for continued dialogue with the staff to discuss the institution's and program's compliance environment and expectations (e.g., regularly scheduled meetings, etc.).
- Establish ongoing dialogue with staff to review any issues involving prospective student-athletes and current student-athletes (e.g., agents, initial eligibility, pre-enrollment amateurism, etc.).

Action Plan: Monitoring.

A head coach also should demonstrate a commitment to compliance through monitoring his or her staff's activities in consultation with the compliance staff. This may include staff meetings with agendas that specifically address compliance issues. The outline below was created to assist a head coach with managing his/her monitoring responsibilities.

- Actively look for red flags of potential violations. For example, if a prospective student-athlete takes an unofficial visit to campus, ask how the prospective student-athlete paid for the trip.
- Ask questions. For example, if a coach is suspicious of a third party or handler being involved in a prospective student-athlete's recruitment, ask questions of the coaching staff about the person. Emphasize the program's ethical standards, set the tone for what is and is not acceptable in dealing with third parties and keep a written record of the conversations.
- In consultation with the compliance director, create written procedures to ensure your staff is monitoring your program's rules compliance. Suggested procedures:
 - Assign a staff liaison(s) to the compliance staff.
 - Assign staff members to monitor specific areas of compliance (e.g., recruiting contacts, initial eligibility, amateurism, telephone contacts).
 - Regularly evaluate staff members to ensure their areas of compliance are monitored and that all responsibilities are executed in a timely manner.
 - Ensure that the entire program has adequate and ongoing compliance training and that there is a plan in place for discussion of important information.
 - Ensure that staff members are consistently attending compliance training.
 - Determine reporting lines for resolving actual and potential NCAA rules issues.
 - Determine reporting lines to alert compliance staff of issues involving prospective student-athletes and current student-athletes (e.g., agents, initial eligibility, pre-enrollment amateurism, etc.).
- Regularly solicit feedback from your staff members concerning their areas of compliance and the program's overall compliance environment in order to ensure that the monitoring systems are functioning properly. Ask the staff where the biggest areas for mistakes or ethical traps exist. Where is the grey area and how will the staff deal with it?
- Ensure that the program immediately notifies the compliance staff when concerns or red flags occur related to potential NCAA rules violations. A lack of immediate action by the head coach will be a significant factor in determining whether the head coach met the obligations imposed by Bylaw 11.1.1.1.

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Additional Considerations: Documentation.

A head coach should document the ways in which he/she has communicated and/or demonstrated a commitment to compliance and be able to produce documentation relating to the procedures in place for monitoring the program's rules compliance. Potential areas for documentation:

- Meetings with the director of athletics, compliance staff and coaching staff.
- Program's procedures for monitoring and submission of documentation of specific areas of compliance (e.g., practice hours, unofficial visits).
- Reports to compliance of actual and potential NCAA rules issues.
- Monitoring efforts undertaken by the program to ensure that the staff and student-athletes are complying in a timely manner with NCAA rules and compliance obligations.

Please note that the ultimate determination of whether a head coach has exercised proper control over his or her program rests with the Committee on Infractions, and a failure to promote an atmosphere of compliance and/or failure to monitor determination will consider the unique facts and circumstances of each case. There is no way to set forth a checklist of items that will in all circumstances prevent a finding. Further, it is important that you consult with your athletics administration and compliance staff for additional guidance on how to tailor the best action plan for your institution.

NCAA Division I Committee on Infractions Case Precedent - NCAA Bylaw 11.1.1.1

The following information is a summary of some of the Committee on Infractions decisions that included a finding that the head coach failed to promote an atmosphere of compliance and/or monitor compliance within his or her program and underscore how the action plans may be of use.

Key Takeaways.

1. The head coach and staff have an obligation to report potential rules violations and actual rules violations to the administration.
 - Ask your staff about any red flags in a prospective student-athlete's recruitment or a student-athlete's enrollment and immediately alert compliance.
2. The head coach has an obligation to ensure that his/her program's monitoring systems are operating properly.
 - Ask your staff about any issues with the program's monitoring systems and alert compliance (e.g., timeliness, accuracy).
3. The head coach and staff have an obligation to consult with compliance staff to determine if their actions are consistent with NCAA rules.
 - Ask compliance staff before acting, especially in areas of grey.

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4. The head coach and staff have an obligation to identify situations where circumstances could result in NCAA violations, alert compliance and monitor the situation closely.

Fact Scenarios: Bylaw 11.1.1.1 Violations.

The following information summarizes some of the factors that were noted by the Committee on Infractions in public infractions reports when finding that the head coach failed to meet his responsibilities under Bylaw 11.1.1.1 (previously cited as 11.1.2.1).

1. The head coach and staff knew that an agent/booster had a relationship with an elite prospective student-athlete.
 - The head coach failed to alert the compliance staff and administration of possible improprieties between the agent/booster and prospective student-athlete.
 - The head coach and staff knew of the prospective student-athlete's limited financial resources and did not take any steps to determine whether the relationship between the prospective student-athlete and agent/booster involved violations of NCAA legislation.
 - The Committee on Infractions noted that Bylaw 11.1.1.1 does not require a head coach to investigate wrongdoing, but it does require the head coach to recognize potential problems, address them and report them to the athletics administration.
2. The head coach and staff knew that several incoming two-year institution transfer student-athletes were deficient academically and were taking numerous classes in a short period of time to meet eligibility requirements.
 - The head coach asked his staff only general questions about the prospective student-athletes' progress and did not ask how the prospective student-athletes were supporting themselves, how the prospective student-athletes were traveling around town, how their classes were being paid for and how involved his staff was with the prospective student-athletes.
 - The head coach failed to involve the compliance staff in monitoring the prospective student-athletes' situations.
3. The head coach and staff encouraged a booster/high school coach to assist the program in recruiting and believed that the booster's employment as a high school coach superseded his status as a booster.
 - The head coach failed to consult with compliance to determine whether the booster's actions were permissible.
4. The head coach and staff were told that they could not have any involvement with an on-campus nonscholastic even, but the head coach provided the event operator with access to the program's boosters in order to solicit funding for the event.
 - The head coach failed to consult with compliance staff to determine if his interactions with the event operator posed any potential NCAA rules issues.

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- The head coach permitted his incoming assistant coaches to attend the event (during a quiet period) and failed to consult with compliance staff to determine if their attendance was permissible.
5. The institution's men's basketball program's telephone contacts were subject to heightened scrutiny due to past violations.
- The men's basketball program's system for monitoring telephone contacts was not functioning properly because the coaches were submitting inaccurate information and were not submitting the logs in a timely manner.
 - The head coach had no knowledge that the system was not functioning, and when he was made aware that coaches were not submitting their logs in a timely manner, he failed to resolve the issue with his staff.
 - The Committee on Infractions noted that promoting an atmosphere of compliance requires more than general comments about compliance responsibilities.

Fact Scenarios: Monitoring Expectations.

The following information summarizes some of the monitoring considerations that were noted by the Committee on Infractions in public infractions reports that predate the adoption of Bylaw 11.1.1.1 (2005).

1. The institution failed to monitor a prospective student-athlete, who was living in the university's locale, the summer prior to initial enrollment.
 - The head coach failed to provide the institution with information about the prospective student-athlete that would have facilitated the institution's monitoring efforts.
 - Effective rules compliance demands more than providing rules education and requires actually checking to see whether the staff complies with the rules.
2. A prospective student-athlete received impermissible housing from a current student-athlete the summer prior to initial enrollment.
 - The institution should have monitored the prospective student-athlete's circumstances, particularly as it relates to lodging, because of the heightened possibility for rules violations.
 - The head coach should have inquired about the prospective student-athlete's lodging and determined whether it was permissible.
3. A booster engaged in numerous impermissible contacts with a prospective student-athlete and provided the prospective student-athlete with \$4,000 of cash payments while the prospective student-athlete was residing in the locale of the institution during the summer prior to initial enrollment.
 - The monitoring efforts should have included rules education for the prospective student-athlete, and the institution should have formally monitored the prospective student-athlete's presence in the locale of the institution.

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- The prospective student-athlete's status as an elite prospective student-athlete should have created a heightened sense of awareness and prompted the institution to increase vigilance and closer monitoring.
4. An international student-athlete, who was a nonqualifer, received cash from the director of basketball operations in order to satisfy financial burdens.
- The Committee on Infractions noted that when an international student-athlete is also a nonqualifer, who is ineligible to receive athletically related financial aid, the institution has a greater responsibility to monitor the student-athlete in order to avoid potential rules violations.
 - Although the director of basketball operations concealed the payments and left no "paper trail," the institution does not avoid responsibility to monitor the situation since the institution had other information available to prompt an inquiry (e.g., nonqualifer, international student-athlete).
5. A booster assisted the men's basketball staff in its recruiting efforts by having impermissible recruiting contacts with prospective student-athletes.
- The Committee on Infractions noted that a head coach is expected to recognize potential NCAA violations and report them to the athletics administration.
 - The head coach failed to recognize that the individual's promotion of the institution to prospective student-athletes caused him to become a booster of the institution.