

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is entered into between the Board of Trustees, University of Illinois (the "University") and John Groce ("Head Coach") (jointly, the "Parties"). It contains the entire agreement of the Parties and supersedes and replaces all prior verbal or written agreements between the Parties, including, but not limited to, the Memorandum of Understanding signed by the Parties in March 2012.

NOW, THEREFORE, the University and Head Coach, in consideration of the mutual covenants and conditions contained herein, agree as follows:

1. Background and Purpose.

1.1 The University desires to employ John Groce as the Head Varsity Coach of its Men's Basketball team.

1.2 The Head Coach has expressed commitment (subject to the terms and conditions of this Agreement) that he will serve the entire Contract Period (as defined in Section 3.1 hereafter), a commitment by the Head Coach being critical to the University's desire to run a stable athletics program.

1.3 The University has expressed commitment (subject to the terms and conditions of this Agreement) that it will continue to employ the Head Coach for the entire Contract Period (as defined in Section 3.1 hereafter), a commitment essential to induce the Head Coach to enter into this Agreement.

2. Responsibilities of the Head Coach.

2.1. **Recognition of Duties.** The Head Coach will serve as Head Varsity Coach – Men's Basketball at the University of Illinois, Urbana-Champaign campus. He will perform the duties set forth in this Agreement, and shall report to the University's Director of Intercollegiate

Athletics (“Athletic Director”). Subject to the other provisions of this Agreement, the Head Coach shall devote his full business time, skill, and attention to the performance of his duties as Head Varsity Coach – Men’s Basketball.

2.2. General Duties and Responsibilities. During the Contract Period, Head Coach agrees to perform all duties and responsibilities of the position of Head Varsity Coach – Men’s Basketball as set forth in this Agreement subject to the overall supervision of the Athletic Director and compliance with University policies. The Head Coach shall have the primary authority and responsibility for supervising, evaluating, recruiting, training, and coaching student-athletics to compete against major college competition; the hiring, supervision and evaluation of coaching staff; and budget preparation and administration for approval by the Athletic Director, as it relates to the University’s men’s basketball program (“Basketball Program” or “Program”).

2.3. Specific Duties and Responsibilities. The specific duties and responsibilities assigned to the Head Coach in connection with the Basketball Program are set forth below, and shall include such related duties and responsibilities consistent with the position of a head basketball coach of a Division I basketball program as may reasonably be assigned by the Athletic Director. The University acknowledges that the Head Coach’s primary responsibility is acting as the head coach of the Program, and any additional assignments or duties are subject to the Head Coach’s primary coaching responsibilities. The following duties and responsibilities supplement and do not supersede other duties and responsibilities provided for elsewhere in this Agreement. The specific responsibilities of the position of Head Varsity Coach – Men’s Basketball include, but are not limited to, the following:

2.3.a. The Head Coach will be responsible for all customary coaching decisions, including without limitation the systems and strategies used on the court (both in practice and actual game play), conduct of practice and training, selection of team members, deployment of players, oversight of players, coaches and staff during games, and all other matters involving basketball operations. The parties acknowledge they are committed to improving the University's athletic facilities, including without limitation, facilities for the Program. Accordingly, the Head Coach and Athletic Director will work in consultation and cooperation with other University officials on capital campaigns and other activities designed to secure funding for improvements of all athletic facilities.

2.3.b. The Head Coach will use his best efforts to comply with the academic and admission standards and requirements of the University with respect to the recruiting and eligibility of prospective and current student-athletes for the Basketball Program. The Head Coach will use his best efforts to comply with the academic policies established by the University, including monitoring and encouraging the regular progress toward an academic degree for those student-athletes who are on the basketball team. He will use his best efforts, in cooperation with the University's faculty and administration, to meet all student-athletes' academic requirements and to integrate sports into the whole spectrum of academic life to complement the University and its mission in the community. With the support and cooperation of the Athletic Director, the Head Coach will attempt to arrange basketball travel and scheduling by student-athletes in such a manner as to minimize the educational effects of lost classroom time. Travel and scheduling will be subject to approval by the Athletic Director.

2.3.c. The Head Coach will use his best efforts to promote good conduct (both on and off the court) and enforce disciplinary rules and sanctions fairly and uniformly for all

student-athletes in the Program in order to encourage academic and moral integrity and excellence.

2.3.d. The Head Coach has the authority and responsibility to make decisions as to the hiring, continued employment, job titles, compensation, and dismissal of Assistant Varsity Coaches – Men’s Basketball and other support staff for the Basketball Program, subject to University policies and the approval of the Athletic Director, which shall not be unreasonably withheld. The Head Coach will supervise these employees, including supervision of their compliance with University, Big Ten Conference, and National Collegiate Athletic Association (or any successor association, the “NCAA”) policies and rules. Without limiting the foregoing, to the extent deemed appropriate by the Athletic Director, the Head Coach will have the opportunity to meet candidates for the academic support positions that affect student-athletes in the Program and to provide input to the Athletic Director and other University officials regarding such candidates, it being understood and agreed that the Head Coach shall have no authority to hire, supervise, or dismiss any member of the academic support staff.

2.3.e. The Head Coach, subject to required time commitments to perform other duties under this Agreement, shall make himself available to attend a reasonable number of alumni, public appearances, donor solicitation, charitable, sponsorship, promotional, and recruitment-related events and meetings as reasonably directed by the Athletic Director.

2.3.f. The Head Coach, subject to required time commitments to perform other duties under this Agreement, shall make himself available to perform a reasonable number of services on television, radio, internet and other media as reasonably directed by the Athletic Director and as they relate to the position of Head Varsity Coach – Men’s Basketball.

2.3.g. The Head Coach will comply with all shoe, apparel and other contracts that the University has entered into; and not take any actions incompatible with such contracts.

2.3.h. The Head Coach will use his best efforts to comply with and implement all applicable requirements of the University, the Basketball Program, and other Governing Rules, as described in section 2.4a., including, but not limited to, cooperating with the University in conducting background checks for hiring new employees, and reporting of information related to sexual assault or abuse.

2.4. NCAA, Big Ten, and University Policies, Rules and Regulations.

2.4.a. The Head Coach shall abide by and comply with all applicable policies of the University (the "University policies"), the NCAA and its applicable divisions (including, without limitation, the Constitution and By-Laws of the NCAA) (the "NCAA Rules"), and the Big Ten Conference (the "Conference Rules") (collectively referred to as "Governing Rules"), as these Governing Rules are amended, in effect, and interpreted by the applicable body from time to time. The Head Coach will also use his best efforts to ensure compliance with the Governing Rules by the Program's student-athletes, assistant coaches, and all other Basketball Program personnel that directly report to the Head Coach. In the event that the Head Coach becomes aware, or has reasonable cause to believe, that violations of Governing Rules may have taken place in connection with the conduct of the Basketball Program, he shall immediately report the violations to the Athletic Director. The Head Coach shall cooperate fully with the University in its efforts to establish, educate, investigate, and enforce these Governing Rules for the Basketball Program. The University will provide timely training to the Head Coach and his staff regarding the applicable Governing Rules and any changes thereto.

2.4.b. If the Head Coach is determined by the NCAA, the Conference, or the University to have committed a violation of the Governing Rules, whether during his employment with the University, or during prior employment at another NCAA member institution, the Head Coach may be subject to disciplinary or corrective action, as set forth in the applicable provisions of the Governing Rules and/or this Agreement. Further, if the Head Coach is determined by the NCAA, the Conference, or the University to have been aware of and not immediately reported, a major or repeated violation of the Governing Rules, or to have intentionally and/or knowingly committed a violation of the Governing Rules, whether during his employment with the University or during prior employment at another NCAA member institution, the employment of the Head Coach may be terminated for "Cause," as provided in Sections 4.2 and/or 4.3 of this Agreement. Further, if it is determined by the NCAA, the Conference, or the University that a major violation of the Governing Rules has been committed by the Basketball Program during the Contract Period and the violation occurred as a result of the Head Coach's failure to appropriately supervise the Program, the employment of the Head Coach may be terminated for "Cause," as provided in Sections 4.2 and/or 4.3 of this Agreement.

With regard to the Head Coach's prior employment at another NCAA member institution, Head Coach represents and warrants that he did not commit, nor was he aware of and did not report, a major violation of the NCAA Rules relating to such institution's basketball program. In the event that any of the Head Coach's representations and warranties in this section are incorrect and the NCAA imposes sanctions, which result in probation, ineligibility for post-season tournaments and/or the loss of scholarships at such former institution, then the University shall have the right to terminate this Agreement for "Cause," as provided in Sections 4.2 and/or 4.3 of this Agreement.

2.4.c. The University acknowledges that it is obligated to comply with the Governing Rules. The University represents and warrants that it is not aware, and does not have reasonable cause to believe, as of this date, that a major violation of the Governing Rules governing its Men's Basketball Program has occurred or has been alleged in connection with the University for which a penalty of probation, loss of scholarships or ineligibility for post-season tournaments will be applied during the Initial Term. In the event that (a) the foregoing representations and warranties are incorrect, and (b) the NCAA and/or the Conference imposes sanctions against the Program, which result in probation, ineligibility for post-season tournaments or the loss of scholarships for Program-related conduct occurring prior to the date Head Coach began his employment with the University, then Head Coach shall have the option (during the thirty (30) day period after such sanctions are publicly announced) to terminate this Agreement by providing sixty (60) days written notice of termination to the University. If Head Coach elects to terminate this Agreement pursuant to this provision, Head Coach shall have no further obligation or liability to the University.

2.5. As a material term of this Agreement, the Head Coach agrees to represent the University positively in all public and private forums and shall not engage in any conduct that reflects adversely on the University or the Basketball Program. In this regard, the Head Coach shall perform his duties and personally comport himself at all times in a manner consistent with the high moral, ethical and academic standards of the University and its athletic department.

3. **Term of Employment, Compensation and Benefits.**

3.1. **Term of Agreement and Employment.**

3.1.a. The initial term of this Agreement ("Initial Term") shall be for March 29, 2012 through April 30, 2017. The University shall have the option, after a 24-month review, and

before June 30, 2014, to extend the term of this Employment Agreement for an additional two (2) year period at its sole discretion. Together, the Initial Term and any subsequent extension thereof shall be jointly referred to herein as the "Contract Period."

3.1.b. As used in this Agreement, the term "Contract Year" is defined to mean: the twelve (12) month period commencing May 1 and ending the following April 30, except for the first Contract Year will begin on March 29, 2012 and end on April 30, 2013.

3.2. Compensation:

3.2.a. **Base Salary.** As compensation for the services performed under this Agreement, the Head Coach shall be paid a base salary ("Base Salary") of \$400,000.00 per Contract Year, payable in equal monthly installments of \$33,333.33. The Base Salary shall be paid to the Head Coach in accordance with the University's normal payroll procedures and will be subject to standard employment taxes and withholding amounts. For Contract Year One, which exceeds 12 months, Head Coach shall be paid Base Salary at a rate of \$33,333.33 per month.

3.2.b. **Additional Compensation.** The Head Coach will receive additional compensation in the amount of \$1,000,000.00 per Contract Year, paid in equal monthly installments, as compensation for his University-related television, radio or internet appearances, shoe and/or apparel sponsorships, consulting and promotional activities, and other similar appearances and services made at the reasonable request of the University as part of his duties and responsibilities as the Head Coach ("Additional Compensation"). For Contract Year One, which exceeds 12 months, Head Coach shall be paid Additional Compensation at a rate of \$83,333.33 per month. Beginning May 1, 2013, the Director of Athletics may, but is not required to, adjust the amount of Head Coach's Additional Compensation in his sole discretion,

based upon his review of Head Coach's performance and his overall contribution to the accomplishments of the University's Basketball Program for the preceding year, in accordance with normal University policies and processes for compensation adjustments.

3.2.c. Incentive Compensation:

3.2.c.i. Athletic Achievements

Head Coach will be eligible to receive incentive compensation beginning in the 2012-13 academic year for achieving specific athletic performance goals as follows (**cumulative**):

- Big Ten Conference Regular Season Championship \$ 125,000.00
- Big Ten Conference Tournament Championship \$ 50,000.00
- NCAA Tournament Appearance \$ 25,000.00
- Sweet 16 Appearance \$ 50,000.00
- Elite Eight Appearance \$ 75,000.00
- Final Four Appearance \$ 100,000.00
- National Championship \$ 250,000.00
- National Coach of the Year \$ 50,000.00
 - (as designated by any one of the following organizations – **not cumulative**: the Associated Press; the United States Basketball Writers Association; the National Association of Basketball Coaches; Naismith; or Sporting News)

3.2.c.ii Academic Achievements

Head Coach will also be eligible to receive incentive compensation for achieving academic performance goals, beginning with the results from the 2012-13 academic year, as follows:

- APR Single-Year Rate (**Not cumulative**)
 - (a) Greater than or equal to 960 \$ 25,000.00
 - (b) Greater than or equal to 980 \$ 50,000.00

3.2.c.iii Timing

All incentive compensation for athletic achievements will be paid to Head Coach no later than August 1st following the basketball season in which the incentive compensation was earned.

Incentive compensation for academic achievements will be paid to Head Coach no later than August 1st following the announcement of APR results.

3.2.d. Deferred Compensation. The Head Coach shall be vested and eligible for a retention bonus in the amount of \$500,000.00, if Head Coach remains continuously employed as the University's Head Varsity Coach – Men's Basketball through April 30, 2017. This retention bonus shall be paid in lump sum to the Head Coach within thirty (30) days after April 30, 2017, assuming all other conditions are satisfied. If Head Coach is not employed as the University's Head Varsity Coach – Men's Basketball through April 30, 2017, for any reason (including, but not limited to, death, disability, resignation, or involuntary termination of employment), then such retention bonus payment shall not vest, be due, or be paid to Head Coach, but instead the right to receive and/or the obligation to pay such deferred compensation amount shall be forfeited, waived and/or rendered null and void.

3.2.e. Buy-Out. The University will pay to the Head Coach the sums of \$200,000.00 for the cost of the "buy-out" owed by the Head Coach to his previous employer, plus the sum of \$91,757.84 to cover the tax impact. It is understood that these sums will be reported as taxable income to the Head Coach and are subject to withholding.

3.3. Benefits. The Head Coach will be eligible for all normal University benefits provided to coaches in the Division of Intercollegiate Athletics, in accordance with University and state policies, as they may be modified in the sole discretion of the University, but excluding any vacation or sick leave or payment therefore.

3.4 Automobiles. The Head Coach and his wife will be provided with the use of two late model vehicles (without cost). The University shall also provide reasonable liability and

comprehensive insurance on such vehicles at no cost to the Head Coach or his wife, which will be reported as taxable income to the Head Coach.

3.5 Moving and Temporary Housing Expenses. The University will pay (or reimburse) the Head Coach, in accordance with University policy, for all reasonable costs directly associated with moving his household to the Champaign-Urbana area, including temporary housing costs (which will be reported as taxable income to the Head Coach), with approved receipts, up to a maximum of \$25,000.00.

3.6 Club Membership. Subject to the discretion and approval of the Athletic Director, the University will pay all reasonable fees, dues and assessments for a full membership for the Head Coach in a local country club, which will be reported as taxable income to the Head Coach.

3.7 Expense Reimbursement. During the Term, the Head Coach shall receive prompt reimbursement, upon approval of the Athletic Director, for all reasonable expenses incurred by the Head Coach in the performance of his duties, in accordance with the University's policies applicable to other similarly situated employees, as they may be established or modified by the University in its sole discretion.

3.8 Other Activities and Income. The parties acknowledge the existence of outside opportunities that may result in additional income to the Head Coach, such as personal service agreements for supplemental income. The following terms and conditions shall apply to the Head Coach' outside opportunities:

3.8.a. University Obligations are Primary. Such outside activities shall not interfere with the full and complete performance by the Head Coach of his duties and obligations

as a University employee, recognizing always that the Head Coach' primary obligations lie with the University and its students;

3.8.b. NCAA Rules, State Law, and University Policy Shall be Followed. In no event shall the Head Coach accept or receive directly or indirectly any monies, benefit or any other gratuity whatsoever from any person, corporation, University booster club or alumni association or other benefactor, or engage in any other action, if such action would violate the NCAA or Big Ten Conference, constitution, bylaws, rules and regulations or interpretations thereof, or any state law, including, but not limited to, the state ethics law, or university policy on outside compensation or conflict of interest, as now or hereafter enacted;

3.8.c. Prior Written Approval. The Head Coach must obtain prior written approval from the Athletic Director and the Chancellor, which shall not be unreasonably withheld, for all income and benefits from sources outside the University, including, but not limited to: income from annuities; sports camps; housing benefits; ticket sales; television and radio programs; and endorsement or consultation contracts with athletic shoe, apparel, or equipment manufacturers or distributors. Such activities must be consistent and not incompatible with University contracts. Prior written approval from the University's Trademark and Licensing Office is required to use, directly or by implication, the institution's name, logo, or other registered trademarks in the endorsement of commercial products or services for personal gain;

3.8.d. Annual Reporting Requirement. The Head Coach must provide the Athletic Director and the Chancellor with a written report, at the end of each calendar year, itemizing all outside compensation received during the year;

3.8.e. Other Limitations. The Head Coach may not be identified in any commercial advertisement as an employee of the University, and the Head Coach's position or title may not be used as an identifier in such advertisement, without the prior written consent of the Athletic Director and the Chancellor, which shall not be unreasonably withheld. In addition, the Head Coach may not use or be pictured in identifiable University facilities in commercial advertisements without the prior written consent of the Athletic Director and the Chancellor. Any outside activities undertaken shall be in conformance with state and University policies and regulations, including the University's policy on outside compensation; and

3.8.f. University is Not Liable. During the Contract Period, the University is responsible to compensate the Head Coach only for the Base Salary identified in paragraph 3.2.a. and those compensation and benefits identified in paragraphs 3.2.b. through 3.2.e. and 3.3. Under no circumstances is, or shall, the University be responsible or legally liable for the existence, availability, continuation, alteration, compensation, or termination of any collateral opportunities, or other outside benefits.

4. Termination.

4.1. Termination Without Cause

4.1.a. The Parties agree that the University may immediately terminate the Head Coach's employment under this Agreement **without cause** prior to expiration of the Contract Period, upon notice provided by the University. If the University exercises this right, then (in addition to any compensation otherwise accrued by, but not yet paid to, the Head Coach under this Agreement as of the date of termination) it will pay the Head Coach two times the Head Coaches' Base Salary (*i.e.* \$400,000.00) – multiplied by the number of full and fractional years remaining in the Contract Period, as set forth in Sections 3.1 and 3.2.a., less all amounts earned

by Head Coach through his Subsequent Employment, as defined below, as liquidated damages in lieu of any other damages. The University will make such payment to the Head Coach in equal monthly installments (with the first installment being due within thirty (30) days following termination) during the remainder of the Contract Period. Head Coach agrees to mitigate the University's obligations under this section by using his best efforts to obtain other basketball related employment (such as a head or assistant coach of a professional basketball team, head basketball coach of an NCAA Division I team, media commentator, scout, sports administrator, etc.) ("Subsequent Employment") as soon as possible following such termination. If the Head Coach obtains Subsequent Employment, the University's obligation to continue the payments required by this Section 4.1.a will be reduced by the total salary, compensation and other remuneration received by Head Coach as a result of his Subsequent Employment. The salary, compensation and other remuneration received pursuant to Head Coach's Subsequent Employment opportunity, which will be used in the mitigation equation, must be at current and reasonable market value for the position. If the Head Coach fails to use his best efforts to obtain other basketball related employment and/or fails to promptly provide accurate information to, and/or update, the University regarding this information, when available and/or requested, then the University will have no further obligation to make payments under this Section 4.1.a.

4.1.b. Full payment by the University in accordance with the provisions of this section will constitute a full release of all claims relating to Head Coach's employment with the University and or termination therefrom that the Head Coach might otherwise assert against the University, or any of its representatives, agents, or employees.

4.1.c. Except for the obligation to pay to the Head Coach the amount set forth in Section 4.1.a., if the University terminates the Head Coach's employment without cause as

specified in Section 4.1.a., all obligations of the University (to the extent not already accrued) to the Head Coach shall cease as of the effective date of such termination. In no case shall the University be liable for the loss of any base salary, additional compensation, bonus payments, deferred compensation, collateral business opportunities or any other benefits, perquisites, or income from third parties resulting from activities such as, but not limited to, camps, clinics, media appearances, television or radio shows, apparel or shoe contracts, consulting relationships or from any other sources, that may ensue as a result of the University's termination without cause of Head Coach's employment under this Agreement.

4.1.d. All obligations of the Head Coach under this Agreement or otherwise associated with his employment by the University shall cease as of the effective date of such termination under this Section 4.1.

4.2. Termination for Cause. The University has the right to terminate the employment of the Head Coach for "Cause" in the event of the following:

4.2.a. Willful failure of the Head Coach in any material respect to perform the services required under this Agreement, or willful breach in any material respect of any of the Head Coach's material duties or obligations under this Agreement and such failure or breach continues for a period of ten (10) days following receipt of a written notice from the University of such failure or breach. The University shall not be required to provide written notice and an opportunity to cure under this section if the referenced service failure or breach cannot be cured or if the University has previously provided notice and an opportunity to cure a similar service failure or breach.

4.2.b. Head Coach's conviction of or a plea agreement to any felony or any criminal offense involving fraud, harassment or moral turpitude; or Head Coach's conviction of

or plea agreement to any violation of law which results in a material injury to the reputation of the University.

4.2.c. Willful and egregious conduct of Head Coach which offends public decency or morality, as shall be determined by the standards prevailing in the community (*i.e.*, Champaign, Illinois).

4.2.d. Any serious act of knowing misconduct by Head Coach, including, but not limited to, a substantial act of dishonesty, theft or misappropriation of University property, moral turpitude, insubordination, or injuring, abusing, unlawfully harassing or discriminating against or endangering others, in the sole judgment of the University.

4.2.e. The NCAA, the Conference, or the University determines that the Head Coach has committed a major violation of the Governing Rules, has intentionally committed any other type of violation of the Governing Rules pursuant to Sections 2.4.a. and 2.4.b. of this Agreement, or that a major violation of the Governing Rules has occurred within the Basketball Program during the Contract Period and such violation occurred as a direct result of the Head Coach's failure to appropriately supervise the Program.

4.2.f. Failure to immediately report to the Athletic Director a violation of the Governing Rules by himself, an assistant Basketball Program coach, a Basketball Program staff member, a student athlete who is a member of the Basketball Program team, or other representative of the University's athletic interests of which the Head Coach had actual knowledge or, in his capacity as head Basketball Program coach, should have reasonably known.

4.2.g. Fraud or willful malfeasance in the performance of any duties or responsibilities under this Agreement.

4.3 If the University terminates the Head Coach's employment for "Cause," as specified in Section 4.2, it shall be without liability to the Head Coach, or any other penalty. Specifically:

4.3.a. All obligations of the University to make further payments and/or to provide any other consideration under this Agreement or otherwise, except to the extent already vested, shall cease as of the date of termination. In no case shall the University be liable to the Head Coach for the loss of any base salary, additional compensation, bonus payments, deferred compensation, collateral business opportunities or any other benefits, perquisites, or income from third parties resulting from activities such as, but not limited to, camps, clinics, media appearances, television or radio show, apparel or shoe contracts, consulting relationships or from any other sources that may ensue as a result of the University's termination for Cause of the Head Coach's employment under this Agreement.

4.3.b. All obligations of the Head Coach under this Agreement or otherwise associated with his employment by the University shall cease as of the effective date of such termination under Section 4.2.

4.4 Termination by Head Coach.

The Head Coach recognizes that his promise to work as Head Men's Basketball Coach for the University for the entire Contract Period is the essence of this Agreement to the University. The Head Coach hereby represents that he has special, exceptional and unique knowledge, skill and ability attributable to a men's basketball coach which, in light of the University's special need for continuity in its men's Basketball Program, will render the Head Coach's services unique. The Head Coach recognizes that the loss of his services to the University prior to the expiration of the Contract Period would cause an inherent loss to the

University, which cannot be estimated with certainty, or fairly or adequately compensated by money damages, other than as stated in this Section 4.4. Furthermore, the parties acknowledge that the University will incur administrative, recruiting and resettlement costs, and the possible loss of other revenues, which damages are difficult to determine with certainty, if the Head Coach resigns prior to the expiration of the Contract Period. The parties agree that the Head Coach may, nevertheless, terminate his employment under this Agreement prior to the expiration of the Contract Period, by: (a) giving the University written notice of the termination of his employment, and (b) timely complying with the liquidated damages provision set forth in this Section 4.4.

Therefore, in the event the Head Coach breaches this Agreement by resigning or leaving his employment with the University prior to the end of the Contract Period, the Head Coach shall pay to the University, in lieu of all other legal remedies, liquidated damages equal to two times the total amount of his Base Salary (*i.e.* \$400,000) – multiplied by the remaining number of full and fractional years in the Contract Period, as set forth in Section 3.1 and 3.2.a., in lieu of any other damages. This liquidated damages payment shall be paid in equal monthly payments through the final date of the Contract Period, unless otherwise agreed in writing by the Parties.

All other liabilities of the Head Coach shall cease effective as of the date of termination. However, Head Coach shall be entitled to any Base Salary or Additional Compensation that was earned and accrued prior to the date the Head Coach provides his notice of resignation.

4.5 Disability, Death, or Inability. This Agreement will terminate automatically upon the Head Coach's death or disability (which for purposes of this section shall mean the Head Coach is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that continues for at least six (6) consecutive

months and can be expected to result in death or can be expected to last for a continuous period of not less than 12 months). If the University or the Head Coach terminates this Agreement due to disability (as defined herein), Head Coach shall have no liability whatsoever to the University as a result of such termination. All obligations of the University to make further payments and/or to provide other consideration, under this Agreement or otherwise, except to the extent already accrued or vested, shall cease immediately in the event of a termination of Head Coach due to death or disability occurs.

5. **Summer Camp.** The Head Coach is responsible for directing the University's summer Basketball camp and providing all services necessary and incidental to such position. Total coaching staff (including strength coaches and trainers) compensation will be based on and will not exceed 90 percent of the net profit of the camp, as reasonably calculated by the University after payment of all direct expenses, which shall be payable within 90 days of the completion of camp. Coach shall recommend to the Athletic Director the allocation of compensation for all coaches for summer camp duties.

6. **Governing Law and Venue.**

6.1. All questions concerning the construction, validity, and interpretation of this Agreement will be governed by the laws of the State of Illinois, to the extent not governed exclusively by federal law. For any disputes arising out of this Agreement, the parties irrevocably consent to the personal and exclusive jurisdiction of, and venue in, the state or federal courts within Champaign County, Illinois.

6.2. It is expressly agreed and understood between the parties that the University is an instrumentality of the State of Illinois and that nothing contained herein shall be construed to

constitute a waiver or relinquishment by the University of its right to claim such exemptions, privileges and immunities as may be provided by law.

7. **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule, such invalidity, illegality or unenforceability will not affect any other provision hereof, but this Agreement will be reformed, construed and enforced as if such invalid, illegal or enforceable provision had never been contained herein.

8. **Liability for Payment.** The University assumes no liability for payment beyond the availability of its annual appropriation from the State of Illinois (if State appropriated funds are used to pay the Head Coach's salary), but if its annual appropriation is deficient, the University agrees to provide Head Coach with written notice of said fact, and agrees that Head Coach shall have the right to terminate this Agreement immediately in the event of such an occurrence without any further liability or obligation to the University.

9. **Waiver.** No waiver by the parties hereto of any default or break of any covenant, term or condition of this Agreement shall be deemed to be a waiver of any other default or breach of the same or any other covenant, term or condition contained herein.

10. **Amendments.** Except as otherwise provided herein, this Agreement shall not be amended, except by a written instrument duly executed by each of the parties hereto in accordance with normal University procedures. Any and all previous agreements and understandings between or among the parties regarding the subject matter hereof, whether written or oral, are voided and superseded by this Agreement.