

COUNTY OF WAKE
STATE OF NORTH CAROLINA

SECOND EMPLOYMENT AGREEMENT
Head Football Coach

THIS AGREEMENT, made and entered into on this the 19th day of February, 2015, by **North Carolina State University** ("NC STATE"), an educational institution and agency of the State of North Carolina, and Dave Doeren ("COACH").

WITNESSETH:

WHEREAS, NC STATE desires to employ the COACH and the COACH desires to engage in such continued employment under the terms and conditions set forth below; and

WHEREAS, the parties desire to terminate the prior Employment Agreement ("prior Agreement") dated January 24, 2013, and have it superseded by this Employment Agreement ("Agreement"), except that Sections III, IV and V of the prior Agreement shall remain in effect until July 1, 2015; and

WHEREAS, the parties acknowledge that although this Agreement is sports-related, the primary mission of NC STATE is education, and, accordingly, the primary purpose of all NC STATE's legal arrangements, including this Agreement, is the furtherance of NC STATE's educational mission;

NOW, THEREFORE, in consideration of the promises and mutual covenants hereinafter set forth, the parties agree as follows:

I. TERM OF EMPLOYMENT

- A. NC STATE employs COACH as Head Coach of Football beginning on December 1, 2012 and ending on December 31, 2019. COACH accepts employment in this position and agrees to faithfully and diligently perform the duties of COACH, as set forth herein. As used herein, "Agreement" shall include the initial term and extensions thereof, if any. In addition, unless otherwise specified herein, "contract year" in the Agreement shall mean July 1 through June 30.
- (1) Beginning July 1, 2015, in any contract year, the term of this Agreement shall be automatically extended one (1) year should the Football team win eight (8) games, or shall be automatically extended two (2) years should the Football team win ten (10) games. The extension shall become effective immediately upon the eighth or tenth win.

- (2) COACH's employment under this Agreement shall continue until the contract ending date, unless terminated earlier as provided herein or otherwise extended beyond the contract end date as the parties shall agree and as approved by the Chancellor and the Board of Trustees.
- B. COACH shall be considered an Exempt from the State Human Resources Act ("EPA") non-faculty employee and shall be subject to all employment policies for EPA non-faculty employees of the University of North Carolina ("UNC") Board of Governors and NC STATE for EPA non-faculty employees, including periodic revisions. The employment policies are contained in the Code of the UNC Board of Governors and NC STATE's policies, regulations and rules applicable to all NC STATE employees. Such policies may be accessed at <http://www.northcarolina.edu/policy/index.php> and <http://www.ncsu.edu/policies/homepage.php> and are incorporated herein by reference. COACH acknowledges that he has read and understands these policies.
 - C. In accordance with NC STATE policy, the Director of Athletics or designee shall evaluate COACH's performance on an annual basis. It is understood and agreed that the Director of Athletics shall fully discuss with COACH his performance evaluation each year.

II. DUTIES

- A. NC STATE hereby employs COACH as Head Football Coach with all the duties, responsibilities, and obligations normally associated with the position of Head Football Coach at a major university such as NC STATE. Duties shall include, but not be limited to, the following:
 - (1) Direct and conduct the football program in a manner consistent with the educational purpose, traditions, integrity and ethics of NC STATE;
 - (2) Support and encourage the educational pursuits of his student-athletes and use his best efforts to ensure that his student-athletes make progress in a defined degree program;
 - (3) Use his best efforts to ensure that all academic standards, requirements, and policies of NC STATE are observed including those in connection with the recruiting and eligibility of perspective and current student-athletes who are academically qualified;
 - (4) Conduct himself and the Football program in accordance with the Constitution and Bylaws of the Atlantic Coast Conference ("ACC") and of the National Collegiate Athletic Association ("NCAA"); all

State and Federal laws, and University of North Carolina/North Carolina State University policies and procedures; and within the traditional high standards associated with his profession;

- (5) Use his best efforts to ensure that student-athletes in the football program conduct themselves in a sportsmanlike manner and in other ways that will result in a positive image for NC STATE both on and off the field;
 - (6) Conduct himself in a sportsmanlike manner and in other ways that serve as a positive role model for student-athletes both on and off the field;
 - (7) Maintain responsibility for the fiscal and budgetary functions associated with the Football program;
 - (8) Maintain responsibility for the supervision and conduct of assistant coaches and staff and their activities, including compliance with the ACC and NCAA constitutions, bylaws, legislation and regulations and to provide annual evaluations thereof;
 - (9) Conduct recruiting activities, practices, game preparation, and coaching duties so as to develop and maintain a Football program of the highest quality and which is competitive within the ACC and the NCAA; and
 - (10) Maintain and enforce any and all disciplinary policies and drug policies of NC STATE.
- B. The parties recognize that a student-athlete may be declared ineligible for competition for academic reasons, as a disciplinary sanction under NC STATE's Athlete Code of Conduct, or because NC STATE believes that he or she is not eligible according to the rules for athletic competition specified by the ACC or the NCAA or for similar reasons. This decision may be made either by COACH, the Director of Athletics, or the Chancellor. In no event shall such an action taken by NC STATE be considered a breach of this Agreement.
- C. COACH agrees to faithfully and diligently perform the duties of Head Football Coach, and to devote such time, attention, and skills to the performance of these duties as necessary to meet the responsibilities of the position of Head Football Coach. During the term of this Agreement, COACH shall report to and be under the immediate supervision of NC STATE's Director of Athletics or designee and shall confer regularly with the Director of Athletics or designee on matters relating to the Football program. COACH agrees that the failure to discharge any of these duties constitutes a breach of this Agreement that would

allow NC STATE to discharge COACH for cause pursuant to section XII of this Agreement.

- D. If COACH is found to have committed a major violation of NCAA rules and regulations, whether while employed by NC STATE or during prior employment, COACH shall be subject to disciplinary action as set forth in NCAA enforcement procedures and/or applicable NC STATE policies, regulations or rules. Such disciplinary action may include discharge for cause in accordance with section XII of this Agreement.

III. ANNUAL SALARY

Beginning July 1, 2015, the annual salary ("Annual Salary") for the position of Head Football Coach is Eight Hundred Forty Thousand Dollars (\$ 840,000). This salary is based on a twelve (12) month employment period. The Director of Athletics and Chancellor will make recommendations on salary adjustments and any additional compensation regarding performance bonuses not otherwise provided herein during the annual salary review period.

IV. SUPPLEMENTAL COMPENSATION

Beginning July 1, 2015, NC STATE shall pay COACH supplemental compensation in the aggregate amount of One Million Three Hundred Sixty Thousand Dollars (\$ 1,360,000) and shall be paid in quarterly installments on March 31, June 30, September 30, and December 31, so long as COACH is employed by NC STATE as Head Coach of Football on the first day of the calendar month in which the next quarterly installment is due. In any contract year of this Agreement, COACH's supplemental compensation shall increase by One Hundred Thousand Dollars (\$ 100,000) for each eight (8) win season, or Two Hundred Thousand (\$ 200,000) for each nine (9) win season, or Four Hundred Thousand (\$ 400,000) for each ten (10) win season, effective immediately upon the eighth, ninth or tenth win and applying to each successive contract year. This supplemental compensation is in consideration for COACH providing the following services:

- A. Fundraising. COACH shall participate in fundraising and development activities in support of NC STATE, as reasonably directed by the Director of Athletics or designee.
- B. Radio, Television and other Media Events and Public Appearances. COACH shall participate in television, radio and other media broadcasts dedicated to NC STATE athletics as reasonably directed by the Director of Athletics or designee (including, but not limited to, pre- and post-intercollegiate Football game interviews, call-in radio and sport shows, weekly coach's shows and any special broadcast related to bowl or championship games).

- C. Apparel, Equipment and Services. COACH shall help NC STATE fulfill its contract with commercial vendors involving the procurement and endorsement of apparel, equipment and services in support of NC STATE's Football program and Department of Athletics.

Without limitation, the parties agree that COACH's responsibilities as the head coach of the Team shall at all times supersede and take priority over any obligations that COACH may have pursuant to this section IV.

COACH acknowledges that NC State has entered into and will enter into, from time to time, exclusive contracts with service providers or commercial vendors that provide or supply radio and television broadcasting, multi-media, athletic footwear, apparel and equipment, etc. (collectively known as the "Athletic Agreements"). Coach agrees that the supplemental compensation provided for in this section shall be the only such compensation he is authorized to receive in connection with such Athletic Agreements, though he may be approved for outside compensation as provided for in section VII of this Agreement. COACH grants to NC State the exclusive right of endorsement, together with the exclusive right, license and privilege of soliciting, securing and/or authorizing all endorsements, publications and/or radio and TV performance opportunities for or featuring COACH with respect to the Athletic Agreements only. Any endorsements or promotions by COACH for third parties will be pursuant to the terms and conditions of the Athletic Agreements or as pre-approved by the Director of Athletics, and subject to COACH's prior written approval. COACH understands that he may not engage in outside activities that conflict with or infringe upon the rights granted pursuant to those Athletic Agreements including but not limited to any external professional activities contemplated under section VII of this Agreement.

V. BONUSES

Beginning July 1, 2015, COACH shall be entitled to receive additional non-salary incentive compensation from NC STATE in the form of bonuses as listed below for specific and measurable achievements, provided that COACH's sport is in compliance with NCAA, ACC, and NC STATE policies and regulations and that there are no pending or active NCAA or ACC investigations of major violations for which the COACH knew or should have known; and contingent upon COACH's satisfactory performance of the duties delineated in section II of the Agreement as reflected by his current annual EPA employee performance review and the availability of non-state appropriated funds in the Athletic Department.

- A. Academic Team Achievement.
The bonuses set forth below in sections V(A)(1) – (10) shall be cumulative, with a maximum bonus amount earned and paid in any contract year of Seven Hundred Thousand Dollars (\$ 700,000).

- (1) If during any contract year the multi-year Federal Graduation Rate ("FGR") for NC STATE'S Football team exceeds the national average for the sport of Football, COACH will receive a bonus in an amount equal to Fifty Thousand Dollars (\$ 50,000). Any amount earned hereunder shall be paid within 60 days of when the FGR is reported publicly.
- (2) If during any contract year the multi-year FGR for NC STATE'S Football team is in the top fifty percent (50%) of public institutions in the ACC for the sport of Football, COACH will receive a bonus in an amount equal to One Hundred Thousand Dollars (\$ 100,000). Any amount earned hereunder shall be paid within 60 days of when the FGR is reported publicly.
- (3) If during any contract year the multi-year Graduation Success Rate ("GSR") for NC STATE'S Football team exceeds the national average for the sport of Football, COACH will receive a bonus in an amount equal to Fifty Thousand Dollars (\$ 50,000). Any amount earned hereunder shall be paid within 60 days of when the GSR is reported publicly.
- (4) If during any contract year the multi-year Graduation Success Rate ("GSR") for NC STATE'S Football team is in the top fifty percent (50%) of public institutions in the ACC for the sport of Football, COACH will receive a bonus in an amount equal to One Hundred Thousand Dollars (\$ 100,000). Any amount earned hereunder shall be paid within 60 days of when the GSR is reported publicly.
- (5) If during any contract year the NCAA multi-year Academic Progress Rate ("APR") for NC STATE'S Football team exceeds the national average for the sport of Football, COACH will receive a bonus in an amount equal to Fifty Thousand Dollars (\$ 50,000). Any amount earned hereunder shall be paid within 60 days of when the APR is reported publicly.
- (6) If during any contract year the NCAA multi-year APR for NC STATE'S Football team is in the top fifty percent (50%) of public institutions in the ACC for the sport of Football, COACH will receive a bonus in an amount equal to One Hundred Thousand Dollars (\$ 100,000). Any amount earned hereunder shall be paid within 60 days of when the APR is reported publicly.
- (7) If during any contract year one or more scholarship athlete(s) on NC STATE'S Football team is selected as an Academic All-American, COACH will receive a bonus in an amount equal to Fifty Thousand Dollars (\$ 50,000). Any amount earned hereunder shall be paid within 60 days of when Academic All-American selections are announced.

- (8) If during any contract year any scholarship athlete on NC STATE's Football team is selected as the ACC Scholar Athlete of the Year, COACH will receive a bonus in an amount equal to Fifty Thousand Dollars (\$ 50,000). Any amount earned hereunder shall be paid within 60 days of when the ACC Scholar Athlete of the Year is announced.
- (9) If during any contract year the single year grade point average (GPA) of the scholarship athletes on NC STATE's Football team for the academic year (beginning with AY 2015-16; including all academic terms, whether fall, spring or summer) is at or above a 3.0, COACH will receive a bonus in an amount equal to Fifty Thousand Dollars (\$ 50,000). Any amount earned hereunder shall be paid within 60 days of the posting of all final grades for the academic year.
- (10) If during any contract year the cumulative grade point average (GPA) of the scholarship athletes on NC STATE's Football team for the academic year (beginning with AY 2015-16; including all academic terms, whether fall, spring or summer) is at or above 3.0, COACH will receive a bonus in an amount equal to One Hundred Thousand Dollars (\$ 100,000). Any amount earned hereunder shall be paid within 60 days of the posting of all final grades for the academic year.

B. Competitive Team Achievement.

The bonuses set forth below in sections V.B.(1) – (4) shall be cumulative, with a maximum bonus amount earned and paid in any contract year of One Million Fifty Thousand Dollars (\$ 1,050,000). In addition, all compensation for sections V.B.(1) through (4) is contingent upon COACH's actual participation in, and coaching of, NC STATE's Football team for the particular event subject to receipt of the bonus.

- (1) In any contract year for the NC STATE's Football team's season, including any bowl and playoff games, COACH will receive a bonus in an amount as listed below:

Win 8 games	Fifty Thousand Dollars (\$ 50,000)
Win 9 games	One Hundred Thousand Dollars (\$ 100,000)
Win 10 games	One Hundred Fifty Thousand Dollars (\$ 150,000)
Win 11 games	Two Hundred Thousand Dollars (\$ 200,000)
Win 12 or more games	Two Hundred Fifty Thousand Dollars (\$ 250,000)

The bonuses in this section V.B.(1) are not cumulative and may not be independently earned. Any amount earned hereunder shall be paid by

March 1 immediately following the occurrence of the achievement described in this subparagraph (but said bonus shall be deemed to have been earned at the conclusion of the game).

- (2) In any contract year in which NC STATE's Football team plays in the ACC Championship Game, COACH will receive either a bonus in the amount of One Hundred Thousand Dollars (\$ 100,000), or if the team wins the ACC Championship Game, COACH will receive a bonus in the amount of Two Hundred Thousand Dollars (\$ 200,000). Any amount earned hereunder shall be paid by March 1 immediately following the occurrence of the achievement described in this subparagraph (but said bonus shall be deemed to have been earned on the day of the ACC Championship Game).
- (3) In any contract year in which NC STATE's Football team plays in a postseason bowl game, including the College Football Playoff (CFP), COACH will receive a bonus in an amount as listed below:

Play in non-CFP Bowl Game	Twenty-Five Thousand Dollars (\$ 25,000)
Win non-CFP Bowl Game	Fifty Thousand Dollars (\$ 50,000)
Play in CFP Non-Semifinal Game	One Hundred Thousand Dollars (\$ 100,000)
Win CFP Non-Semifinal Game	Two Hundred Thousand Dollars (\$ 200,000)
Play in CFP Semifinal Game	Two Hundred Fifty Thousand Dollars (\$ 250,000)
Play in CFP National Championship Game	Three Hundred Thousand Dollars (\$ 300,000)
Win CFP National Championship Game	Five Hundred Thousand Dollars (\$ 500,000)

The bonuses in this section V.B.(3) are not cumulative and may not be independently earned. Any amount earned hereunder shall be paid by March 1 immediately following the occurrence of the achievement described in this subparagraph (but said bonus shall be deemed to have been earned on the day of the CFP Game).

- (4) In any contract year in which NC STATE's Football team finishes ranked in the Top 25 of the final College Football Playoff (CFP) poll (following all bowls and playoff games), COACH will receive either a bonus in the amount of Fifty Thousand Dollars (\$ 50,000), or if the team finishes ranked in the Top 15 of the final CFP poll (following all bowls and playoff games), COACH will receive a bonus in the amount of One Hundred Thousand Dollars (\$ 100,000). Any amount earned hereunder shall be paid by March 1 immediately following the occurrence of the achievement described in this subparagraph (but said bonus shall be

deemed to have been earned on the day of the release of the final CFP poll).

- C. In the event that any future or amended state or federal law, rule, or regulation, or NCAA or ACC rule or regulation should 1) prohibit the payment of any bonus listed herein; 2) render any bonus illegal or ineffectual; or 3) subject NC State to a penalty or assessment or violation of law if such bonus were to be paid, NC State will, to the extent possible, revise such bonus or substitute an alternative incentive payment that would allow for a similar economic benefit to be provided to COACH while preserving for NC STATE as much of the bargained for institutional benefit as reasonably possible.
- D. The parties understand and agree that the right to any bonuses described in sections V.(A) and (B) above vests when any such bonus is earned, not when any such bonus is paid.

VI. BENEFITS AND OTHER NON-SALARY COMPENSATION

- A. The position of Head Football Coach is classified as an EPA non-faculty position at NC STATE. COACH shall receive all employee-related benefits which are normally available to other twelve-month EPA non-faculty employees. COACH acknowledges that fringe benefits provided by NC STATE are subject to change from time to time by action of the North Carolina General Assembly or NC STATE. As an EPA non-faculty employee, COACH is entitled to twenty-four (24) annual leave days per year.
- B. COACH shall be entitled to receive non-salary compensation in accordance with NC STATE's Non-salary and Deferred Compensation Policy and as may be approved by the Board of Trustees. COACH acknowledges that, at the time of any separation (whether voluntary or involuntary) from employment as Head Football Coach with NC STATE, such non-salary compensation shall cease. During the term of the Agreement, NC STATE may, but in no event shall be required to, make available to COACH a supplemental retirement plan, as may be approved by the Board of Trustees and Board of Governors.
 - (1) Courtesy Car(s). NC STATE shall make arrangements for and provide two (2) courtesy or leased vehicles for the COACH to use throughout the term of this Agreement. NC STATE shall be responsible for reimbursing COACH for maintaining collision and comprehensive liability insurance on the vehicle and any highway use tax. COACH shall be responsible for providing routine maintenance for the two vehicles. Alternatively, NC STATE may provide an annual automobile allowance in the amount of Fifteen Thousand Dollars (\$ 15,000). In the event of any termination of

this Agreement by either party as allowed hereunder, COACH shall have 30 days to return said vehicles to NC STATE.

- (2) Meals. COACH shall be entitled to one (1) meal per day at Murphy Dining Hall or Case Dining Hall during the academic year.
- (3) Tickets. COACH shall be provided with twenty (20) Football tickets for NC STATE regular season home games, the ACC Football Championship Game (if NC STATE is a participant), and any Football bowl game in which NC STATE is a participant. COACH shall also be provided with six (6) Men's Basketball tickets for NC STATE regular season home games, the ACC Men's Basketball Tournament (if NC STATE is a participant), and any NCAA Men's Basketball Tournament games in which NC STATE is a participant. Travel by accompanying spouse shall be provided by NC State in accordance NC State's Policy on Non-Salary and Deferred Compensation.
- (4) Club Membership. COACH shall be provided with use of the athletic department membership at the State Club for business purposes.
- (5) Parking Permit and Reserved Space. COACH shall be provided with a campus parking permit and reserved parking space at the Murphy Center.
- (6) Purchase Card. COACH shall be provided with a University Purchase ("P") Card for use for business expenses.

VII. OUTSIDE COMPENSATION

- A. COACH may earn other compensation from sources outside of NC STATE while employed by NC STATE with prior approval by the Director of Athletics and Chancellor. Any outside compensation is subject to compliance with the "Policy on External Professional Activities for Pay" of the UNC Board of Governors and the NC STATE Board of Trustees, which is herein incorporated by reference, and is subject to all other relevant State and Federal policies and laws concerning conflict of interest. Such activities are independent of COACH's employment with NC STATE, and NC STATE shall have no responsibility for any claims arising there from. Activities for outside compensation shall include engaging in any radio, television, motion picture, Internet, stage, writing or any similar activity, personal appearances, commercial endorsements, and football camps. Subject to specific reporting requirements established by NC STATE, no outside activities will be allowed without having on file with the Director of Athletics, a signed approval of the "Notice of Intent to Engage in External Professional Activities for Pay" prior to engaging in those activities, which approval shall not be

unreasonably withheld. Notwithstanding anything to the contrary contained in this section VII.A., NC STATE agrees that any approvals required hereunder shall only be necessary to the extent NC STATE approval is required by NC STATE of all full-time and part-time NC STATE employees with respect to athletically related income.

- B. COACH shall obtain prior written approval from the Director of Athletics or designee (not to be unreasonably withheld, delayed, or conditioned) before operating any football camp that uses NC STATE's name, logos, trademarks, and insignias, and shall conduct such camp in accordance with all applicable NC STATE policies, including those requiring the payment of licensing fees associated with the use of NC STATE's name, logos, trademarks, and insignias. COACH shall obtain prior written approval from the Director of Athletics or designee (not to be unreasonably withheld, delayed, or conditioned) before operating any football camp on NC STATE's property, and shall conduct such camp in accordance with all applicable NC STATE policies, including those regarding facilities use.
- C. In accordance with NC STATE policy and NCAA Bylaw 11.2.2, which are incorporated herein by reference, COACH shall report annually on July 1 to the Chancellor through the Director of Athletics or designee all athletically-related income from sources outside NC STATE, including, but not limited to, income from sports camps and clinics, television and radio programs, commercial endorsements, consulting agreements, and all other athletically-related income from whatever outside source. NC STATE shall have reasonable and prompt access to all records of COACH to verify this report.
- D. COACH agrees that NC STATE may use, without payment of additional compensation to COACH, COACH's name, picture, likeness and voice in connection with the promotion and endorsement of NC STATE.

VIII. PARTICIPATION IN DECISIONMAKING

- A. Staffing. COACH shall have the authority to make hiring recommendations to the Director of Athletics or designee regarding the employment positions for the Football program, should such selection and hiring occur while COACH is the Head Football Coach. The hiring of personnel shall comply with all applicable NC STATE policies and regulations related to employment at NC STATE.
- B. Facilities. COACH shall have the opportunity to provide input into the design, development or renovation of any and all facilities owned by NC STATE that are for the exclusive or partial use of the Football program.

- C. Scheduling. COACH shall collaborate with the Executive Senior Associate Athletic Director for scheduling games for the Football program, subject to the approval of the Director of Athletics or designee.

IX. TAXES

COACH acknowledges that, in addition to the salary provided for in this Agreement, certain benefits and other non-salary compensation he receives incident to his employment relationship with NC STATE may give rise to taxable income. COACH agrees to be responsible for the payment of any taxes (including federal, state and local taxes) due on such income. COACH also understands that NC STATE shall withhold taxes on amounts paid or due to COACH and the value of benefits and other non-salary compensation provided to COACH, to the extent required by applicable law and regulation.

X. UNIVERSITY RECORDS

All materials or articles of information including, without limitation, personnel records, recruiting records, team information, films, statistics or any other material or data furnished to COACH by NC STATE or developed by COACH on behalf of NC STATE or at NC STATE's direction or for NC STATE's use or otherwise in connection with COACH's employment hereunder are and shall remain the sole property of NC STATE. If NC STATE requests access/or the return of such materials at any time during or at or after the termination of COACH's employment, COACH shall immediately deliver same to NC STATE.

XI. AUTOMATIC TERMINATION UPON DEATH OR DISABILITY OF COACH

- A. This Agreement shall terminate automatically upon the death of COACH. If this Agreement is terminated pursuant to this section because of death, the COACH's Annual Salary, supplemental compensation and all other non-salary compensation and benefits hereunder shall terminate as of the end of the calendar month in which death occurs, except that COACH's personal representative or other designated beneficiary shall be paid all such death benefits, if any, as may be contained in any benefit plan and due to COACH as an EPA non-faculty member.
- B. This Agreement shall terminate automatically upon the permanent disability of COACH. For purposes of this provision, COACH shall be deemed permanently disabled if, due to a mental or physical impairment, COACH is unable to perform the essential functions of the job with or without reasonable accommodation for a period of ninety (90) consecutive days. If this Agreement is terminated pursuant to this section because of permanent disability, NC STATE's sole obligation shall be to pay that portion of the Annual Salary as set forth in section

III due to COACH as of the date of termination and to pay disability benefits to which COACH may be entitled to under any disability program in which COACH is enrolled through NC STATE.

XII. DISCHARGE BY NC STATE FOR CAUSE

- A. This Agreement may be terminated by NC STATE for Cause. "Cause" shall include, but not be limited to, the following:
- (1) Failure to carry out the duties of the Head Football Coach as defined in section II of this Agreement [DUTIES] and failure to cure same within thirty (30) days of receiving written notice of such failure from NC STATE;
 - (2) A major violation by COACH, or major violation by an assistant coach or staff member of which COACH had reason to know, or should have known through the exercise of reasonable diligence or which COACH condoned of a NCAA regulation or bylaw whether while employed by NC STATE or during prior employment at another NCAA member institution. For purposes of this subparagraph (2), whether or not a major violation has occurred shall be reasonably determined in the discretion of NC STATE after its review of the relevant facts and circumstances;
 - (3) COACH's conviction of, or a guilty plea to (i) a felony committed by COACH or (ii) a criminal offense which constitutes fraud or moral turpitude;
 - (4) Misconduct of the COACH, or misconduct by an assistant coach or staff member of which the COACH knew, had reason to know, or should have known through the exercise of reasonable diligence or which COACH condoned, of such a nature, as reasonably determined in the discretion of NC STATE, that would offend the traditions and ethics of NC STATE or which brings discredit to NC STATE; or
 - (5) Any of those causes specified in the Employment Policies for EPA Non-Faculty Employees of the University of North Carolina/North Carolina State University, as adopted and revised from time to time; or
- B. In the event of a discharge for Cause under this section, NC STATE's sole obligation to COACH shall be to pay COACH that portion of the Annual Salary due to COACH as of the date of such discharge, including amounts owed pursuant to section V(D). In the event NC STATE exercises its right to discharge COACH for Cause, NC STATE shall not be obligated to pay COACH any supplemental compensation, or other non-salary compensation or benefits described in the Agreement or be responsible for any consequential damages, including, but not

limited to any loss of business opportunities or loss of other income, benefits, or perquisites from any sources, that might occur as a result of such discharge.

- C. Any discharge for Cause of COACH shall be conducted in compliance with all relevant and applicable NC STATE policies, regulations or rules as adopted and as may be revised from time to time.

XIII. TERMINATION BY NC STATE WITHOUT CAUSE

This Agreement may be terminated by NC STATE at any time without Cause upon written notice to COACH (which will indicate that such termination is without Cause).

- A. In the event NC STATE exercises its right to terminate this Agreement without Cause, NC STATE's sole financial obligation shall be limited to paying COACH his Annual Salary at the time of termination multiplied by the number of full and partial contract years remaining in the term of this Agreement, and, if applicable, any bonuses earned or accrued as of the effective date of termination. In the event NC STATE exercises its right to terminate the Agreement without Cause, NC STATE shall not be obligated to pay COACH any other compensation described in the Agreement (except as detailed to the contrary herein) or be responsible for consequential damages, including, but not limited to any loss of business opportunities or loss of other income, benefits, or perquisites from any sources, that might occur as a result of such termination. Payment of the total amount owed shall occur over the remaining term of the Agreement as follows: 1) within fifteen (15) days of the effective date of termination without cause, payment shall be made of Annual Salary amounts due with respect to the remainder of that contract year, as well as, if applicable, any bonuses earned as of the effective date of termination during the contract year; and 2) remaining payments due hereunder with respect to each subsequent year shall be made monthly or as otherwise agreed upon by COACH and NC State, until all amounts due under this section XIII have been paid in full.
- B. COACH acknowledges his obligation to minimize the payments due to him under section XIII.(A) and agrees to make every reasonable effort to obtain other employment and be compensated for such employment at the fair market value for the position as long as NC STATE has the obligation to make payments under section XIII.(A). If the COACH obtains new employment, NC STATE's financial obligations under section XIII.(A) shall be reduced by the total compensation actually received by COACH in his new position, solely with respect to cash payments (whether deferred or not) during the period that would have been the term of this Agreement (had it naturally expired). COACH shall promptly, upon acceptance of other employment, notify the Director of Athletics in writing of such employment and the total compensation to be paid to COACH for the employment during the term of this Agreement (had it naturally expired). In

addition, COACH agrees to provide NC STATE with a copy of his W-2 form for each calendar year as long as NC STATE has the obligation to make payments under section XIII.

- C. If COACH's actually received compensation in the new position exceeds the amount COACH would have been paid at NC STATE pursuant to section XIII.(A), NC STATE's financial obligations under section XIII.(A) shall cease.
- D. COACH acknowledges and agrees that, in the event that COACH is terminated without Cause, NC STATE's sole financial obligation is governed by section XIII.(A) of this Agreement, and any prior agreements or promises in regard to NC STATE's payments to COACH due to termination without cause, are null and void.

XIV. TERMINATION BY COACH

Termination by COACH Prior to Term Expiration

- A. COACH agrees that the promise to work for NC STATE for the entire term of the Agreement is essential to NC STATE. The parties agree that the COACH has special, exceptional, and unique knowledge, skill and ability as a Football coach which, in addition to the continuing acquisition of coaching experience at NC STATE, as well as NC STATE's special need for continuity in its Football program, renders the COACH's services unique. COACH therefore agrees, and hereby specifically promises, not to accept Football related employment prior to the natural expiration of the term of this Agreement, under any circumstances, without first providing written notice to the Director of Athletics and the Chancellor, of such employment including, but not limited to a Football coach at any institution of higher education which is a member of the NCAA or for any professional team participating in any professional league or conference in the United States or elsewhere, requiring performance of duties prior to the expiration date of the term of this Agreement or any extension thereof. NC STATE agrees that COACH may terminate this Agreement at any time, for any reason, upon written notice to NC STATE and payment of liquidated damages in Section XIV.B below.
- B. COACH acknowledges that accepting employment from any other person or entity prior to the natural expiration of the term of this Agreement constitutes a breach of this Agreement. In the event of such breach, COACH shall be limited to solely paying NC STATE liquidated damages in lieu of any and all other legal remedies or equitable relief in the amount of COACH's current Annual Salary multiplied by the number of full and partial contract years remaining in the term of this Agreement. Payment of the total amount of liquidated damages shall occur over the remaining term of the Agreement as

follows: 1) within fifteen (15) days of the effective date of termination without cause, payment shall be made of Annual Salary amounts due with respect to the remainder of that contract year, as well as, if applicable, any bonuses earned as of the effective date of termination during the contract year; and 2) remaining payments due hereunder with respect to each subsequent year shall be made monthly or as otherwise agreed upon by COACH and NC State, until all amounts due under this section XIV have been paid in full. This is an Agreement for personal services. The parties recognize and agree that a termination of this Agreement by COACH prior to its natural expiration could cause NC STATE to lose its valuable investment in COACH's continued employment at NC STATE and could cause NC STATE additional damages beyond its lost investment, including but not limited to a possible adverse effect on recruiting. The parties further agree that it is difficult or impossible to determine with certainty the damages that may result from such termination by COACH and that the liquidated damages provisions of this paragraph are not to be construed as a penalty, but as an attempt by COACH and NC STATE to establish adequate and reasonable compensation to the University in the event COACH terminates this Agreement. NC STATE agrees that, in the event that COACH breaches this Agreement by accepting employment as herein described prior to the natural expiration of this Agreement, COACH's sole obligation to NC STATE shall be governed by section XIV.(B) of this Agreement, and any prior agreements or promises in regard to any other payments to NC STATE are null and void.

Termination by COACH for Cause

- C. NC STATE agrees that COACH may terminate this Agreement at any time in the event NC STATE materially breaches this Agreement and fails to cure such material breach within thirty (30) days of its receipt of written notice specifying such material breach. In the event of such a termination for cause, the parties agree that the liquidated damages detailed in section XIV.B shall not be owed to NC STATE.

XV. TERMINATION OR AMENDMENT BY BOTH PARTIES

This Agreement may be terminated or amended at any time upon mutual written Agreement of all parties.

XVI. MERGER

This Agreement constitutes the full and complete agreement of the parties. No prior or subsequent written or oral understandings or representations pertaining to the subject matter of this Agreement shall be binding upon the parties unless contained herein or set forth in the form of written amendment(s) to this Agreement, executed by both parties prior to becoming effective.

XVII. APPLICABLE LAW and VENUE

This Agreement is made under and shall be interpreted according to the laws of the State of North Carolina. Any rule to the effect that an agreement shall be construed against the party drafting shall have no application to this Agreement. Any dispute or legal action brought by either party arising out of or relating to this agreement shall only be brought in, or be transferred to, a state or federal court in Wake County, North Carolina.

XVIII. TIME AND NOTICES

Unless otherwise specified herein, "days" in the Agreement shall mean calendar days. Any notice or other communication required under this Agreement shall be in writing and shall be deemed effective when personally delivered or sent by confirmed facsimile or five (5) days after being deposited in the United States mail, postage prepaid, registered or certified, addressed to the other party at his respective address or facsimile number set forth below, or such other address or facsimile number as may be given by such party in writing to the other, or with respect to COACH, to the address or facsimile of his attorney of record if COACH has provided such in writing to the Director of Athletics.

NC STATE:
Director of Athletics
Campus Box 8502
Raleigh NC 27695-8502
Fax (919) 515-3624

COACH:
c/o The Agency Sports Mgt., LLC
230 Park Avenue, Suite 851
New York, NY 10169

With a copy to:
Rand E. Sacks, Esq.
The Sacks Group, PLLC
5335 Wisconsin Avenue, NW
Suite 720
Washington, DC 20015

XIX. BENEFIT

This Agreement, in accordance with its terms and conditions, shall inure to the benefit of and be binding upon NC STATE, its successors and assigns, and COACH, his heirs, executors, administrators and legal representatives.

XX. SEVERABILITY

The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision hereof.

XXI. SOLE AND ENTIRE AGREEMENT

This instrument contains the entire Agreement of the parties and fully supersedes any and all prior offers, discussions, agreements or understandings between the parties hereto. The parties specifically intend for this Agreement to supersede the Memorandum of Understanding dated December 1, 2012 and the prior Agreement dated January 24, 2013, except that Sections III, IV and V of the prior Agreement shall remain in effect until July 1, 2015. The Agreement may not be changed or amended orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, amendment, change, modification, extension or discharge is sought.

XXII. APPROVAL BY BOARD OF TRUSTEES

It is expressly understood and agreed by the parties that this Agreement, and any subsequent amendments are not effective until approved by NC STATE's Board of Trustees, and, if applicable, by the University of North Carolina Board of Governors.

XXIII. PUBLIC RECORDS

COACH acknowledges and understands that upon execution of this Agreement, the payment amounts and other terms and conditions contained herein shall not be confidential and shall be considered a public record within the meaning of the North Carolina Public Records Act, N.C. Gen. Stat. § 132-1 et seq.

XXIV. FULL AND CAREFUL CONSIDERATION

COACH acknowledges that he has been given the opportunity to fully and carefully consider this Agreement and all of its provisions and to review this Agreement with legal counsel of his own choosing before signing it.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

[Signatures on next page.]

NORTH CAROLINA STATE UNIVERSITY



Deborah A. Yow
Director of Athletics

COACH



Dave Doeren



W. Randolph Woodson
Chancellor



Benjamin F. Jenkins, III
Chair, Board of Trustees

