

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT ("Agreement") made and entered into this 1st day of January, 2013, by and between **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE** (herein "UNIVERSITY"), a body corporate existing under the Constitution and laws of the State of Louisiana, herein represented by William L. Jenkins, its duly authorized Interim President, and **Les Miles** (herein "COACH"):

WITNESSETH

THIS AGREEMENT acknowledges the existence of an employment agreement between the above parties dated July 1, 2006, and amendments thereto (along with a clarification memorandum of March 12, 2008). Section references below are to the Employment Agreement dated July 1, 2006:

1. Employment. [No Change]
2. Term. [Revised]

The term (the "Term") of this Agreement shall be for a definite term, commencing on January 1, 2013, and ending on December 31, 2019, unless terminated sooner in accordance with Section 13 or extended by mutual written agreement of the parties. This Term replaces and supersedes any provisions in any prior agreements between the parties relating to term or extension of term, including but not limited to those set forth in Paragraph 3 of the "Memorandum" of March 12, 2008 from LSU System President John V. Lombardi to Head Football Coach Les Miles.

3. Salary. [No Change]
4. Retirement and Fringe Benefits. [No Change]

5. Sports Camps. [Revised by Prior Amendment and Incorporated Herein]

COACH, subject to state law, NCAA, UNIVERSITY and Athletic Department guidelines, rules and regulations, may operate or work at sports camps/clinics at the UNIVERSITY. The UNIVERSITY does not guarantee or provide any supplemental compensation from the operation of sports camps/clinics. The rights granted to COACH under this paragraph are personal to COACH and exist only during the term of this Agreement. COACH shall not be permitted to sell assign, lease, donate or otherwise transfer any ownership, assets or interests in such a camp or clinic to any other person or entity, without the prior written approval of the Chancellor of the UNIVERSITY.

6. Post-Season. [Revised by Prior Amendment and Incorporated Herein]

- A. Beginning with the 2011 college football season, in the event the Team participates in post-season football game(s), UNIVERSITY agrees to pay COACH as additional compensation for the extra services required of COACH in the preparation for and his participation in post-season football games as follows:

| <i>Post-Season Goal</i> | <i>Amount</i> |
|--|---------------|
| (i) Participation in SEC Championship Game | \$100,000 |
| (ii) Win SEC Championship Game | \$100,000 |
| (iii) Appear in Post-Season Bowl Game | \$100,000 |
| (iv) Appear in BCS-sponsored Post-Season Bowl Game (including, but not limited to, appearance in the BCS National Championship game) | \$200,000 |
| (v) Win BCS National Championship Game | \$100,000 |

The additional sum or sums, if payable, shall be considered earned as of the date of each game at which a Post-Season Goal is attained and shall be paid within sixty (60) days following the final post-season football game in which the Team and COACH participates. More than one post-season game incentive may be earned by COACH during each intercollegiate football season; provided, however, Post-Season Goals (iii) and (iv) shall be mutually exclusive of each other [i.e., if UNIVERSITY appears in a bowl game that is not BCS-sponsored, \$100,000 shall be payable for attainment of Post-Season Goal (iii), whereas if such appearance is in a BCS-sponsored bowl game (including the BCS National Championship Game) \$200,000 shall

instead be payable for attainment of Post-Season Goal (iv) and no amount shall be payable relative to Post-Season Goal (iii)]. The total amount of additional compensation under this Section 6.A shall not exceed \$500,000 [for items (i) through (v) above] during any one intercollegiate football season.

B. [No Change]

C. [No Change]

D. [Revised by Prior Amendment and Incorporated Herein]

In any given year after the 2011 football season and each football season thereafter, if the football team wins the National Championship (as recognized by the Bowl Championship Series), the total annual compensation shall be adjusted to be no less than the highest salary of public institutions within the SEC, plus \$1,000.

For purposes of determining the comparative salaries in effect provided for in Section 6.B, 6.C, and 6.D, the *date* that will be used will be the date of the BCS National Championship game if it takes place in January (or if not, then January 1) for each of the referenced paragraphs.

Upon increase in total annual compensation pursuant to this Section 6, appropriate adjustments shall be made to increase compensation levels established pursuant to existing Sections 3, 7 and 9, as necessary and without the need for an amendment to this Agreement or approval by the Board of Supervisors.

7. Radio/Television/Internet Payments. [Revised]

In addition to the salary set forth above, COACH shall be entitled to receive the amount of Three Million Four Hundred and Fifty Thousand Dollars (\$3,450,000) per year contingent on his appearing on or participating in, as requested, and making reasonable efforts to make successful UNIVERSITY sanctioned television, radio and internet programs (the "Programs") concerning the UNIVERSITY and the football program. The amount set forth above shall be payable in twelve (12) equal monthly installments each calendar year. Each installment shall be due on the last business day of the month commencing in January and ending in December.

The reasonable efforts required of COACH under this section shall be the due diligence and personal time customarily exerted by head football coaches in the promotion and production of similar radio, television and internet programs at other institutions of higher education with major football programs.

The UNIVERSITY shall own all rights to the Programs and shall be entitled, at its option, to produce and market the Programs or negotiate with third parties for the production and marketing of the Programs. The UNIVERSITY shall be entitled to retain all revenue generated by the Programs including but not limited to that received from Program sponsors for commercial endorsements used during the programs. "Program sponsors" shall include, but not be limited to, those persons or companies who make financial contributions supporting, or who pay a fee for, commercial announcements and endorsements used on the Programs.

COACH shall not appear without prior written approval of the Chancellor and the Athletic Director on, or in, any radio, television, or internet programs or other electronic medium other than those produced or sponsored by the UNIVERSITY, except routine news media interviews for which no compensation is received. COACH shall not appear in or make any commercial or commercial endorsement without the prior written approval of the Chancellor and the Athletic Director. Such approval shall not be unreasonably withheld.

8. Other Compensation. [Revised by Prior Amendment and Incorporated Herein]

Beginning with the 2011-2012 academic year, if one of the team academic achievements described below (Academic Performance Rate, Graduation Rate and GPA) is achieved in one academic year (defined as beginning with the summer semester and ending with the spring intersession the following year) during this Agreement, UNIVERSITY shall pay to COACH Two Hundred Thousand Dollars (\$200,000) payable as one-time supplemental compensation to COACH, which compensation is hereby approved without further action by the Board of Supervisors.

- A. Academic Performance Rate "APR" [as defined by the NCAA] for the football team is 960 or higher.
- B. Graduation Rate [as defined by the NCAA] for the football team is 75% or higher.
- C. GPA for the football team is 2.80 or higher.

The compensation under this Section 8, if payable, shall be paid to COACH within sixty (60) days of the end of the academic year.

9. Additional Revenue. [Revised by Prior Amendment and Incorporated Herein]

Subject to the limitations imposed by this section of the Agreement and compliance with applicable laws, NCAA and UNIVERSITY regulations, policies and procedures, including current NCAA Bylaw 11.2, et seq., COACH may earn or receive other revenue while employed by the UNIVERSITY provided, however, that COACH shall obtain prior written approval, which approval shall not be unreasonably withheld, from the Chancellor and Athletic Director before engaging in any commercial or private venture, including the use of COACH's name by any commercial, public or private entity. COACH shall report annually, in writing, in compliance with NCAA Bylaw 11.2, et seq., to the Chancellor through the Director of Athletics on or before August 1st all athletically-related income from sources outside the University.

UNIVERSITY guarantees that COACH will earn or receive Additional Revenue of at least Five Hundred Fifty Thousand and No/100 (\$550,000.00) Dollars during each calendar year of this Agreement. "Additional Revenue" shall include: (a) any monetary benefits earned or received for services to the Tiger Athletic Foundation (TAF), which is currently calculated to be \$500,000.00 during each calendar year of this Agreement; (b) any supplemental monetary benefits paid or funded by the TAF; (c) any monetary benefits earned or received from the UNIVERSITY's football team shoe and equipment provider or other UNIVERSITY vendor, which is currently calculated to be \$50,000.00 for each calendar year of this Agreement; and (d) any income or benefits earned or received by COACH from the UNIVERSITY outside the sums paid under Sections 3, 4, 6, 7 and 8 of this Agreement.

In the event the amount of such Additional Revenue falls below the minimum guaranteed amount, then UNIVERSITY shall pay COACH the difference between the minimum guaranteed amount and the actual Additional Revenue within thirty (30) days of such determination. The UNIVERSITY shall have reasonable access to all applicable records of COACH that are necessary to verify the obligations contained in this Section.

In no event shall any outside income earned by COACH and approved by UNIVERSITY pursuant to PM-11 offset or reduce the amounts payable to COACH under this Section 9.

10. Assignment/Retirement Benefits. [No Change]

11. Supplemental Compensation Based on Length of Service. (Revised)

The parties acknowledge that developing and maintaining a program that can compete competitively in the SEC and on a national level requires a long-term commitment from both LSU and the COACH. As an incentive to the COACH to remain at LSU for the full term of this Agreement, the parties hereby agree that, in addition to the base salary and all other forms of compensation provided for by this Agreement, LSU or an affiliated foundation shall at the end of each contract year of this Agreement pay into an account owned and controlled by LSU or the affiliated foundation for the benefit of COACH the sum of \$150,000.00 (up to \$1,050,000.00 for the duration of this Agreement). COACH shall have no right to any of the funds in said account, except as follows:

- 1) If COACH remains employed as Head Football Coach at LSU until the last game of the regular season for the 2017 football season, \$750,000.00 will be available for release and payment as directed by COACH at that time.
- 2) If COACH remains employed as Head Football Coach at LSU until the last game of the regular season for the 2019 football season, an additional \$300,000.00 will be available for release and payment as directed by COACH at that time.

The amount deposited in the account shall be returned to the Athletic Department or affiliated foundation should neither condition listed above occur, and any interest, dividends, increases in value, or other funds of any nature held in the account and not owed to COACH under this Section 11 shall remain the property of LSU or the affiliated foundation that opened and controls the account.

12. Standards. [No Change]

13. Termination. [Revised]

This Agreement may be terminated by the parties as follows:

A. Termination by UNIVERSITY Without Cause.

- i. UNIVERSITY shall have the right to terminate this Agreement without cause upon written notice to COACH. In such event, UNIVERSITY will pay COACH liquidated damages, in lieu of any and all other legal remedies or equitable relief as detailed below. In the event of termination by UNIVERSITY without cause, COACH's Base Salary and all other compensation and benefits provided for in this Agreement shall terminate on the termination date, and UNIVERSITY shall not thereafter be liable to COACH for any sums or damages other than the liquidated damages provided for herein and any compensation earned pursuant to this Agreement prior to the termination date. The termination date shall be the date on which notice of termination is given, or on such later date as may be set forth by UNIVERSITY in the notice of termination.
- ii. Liquidated damages payable by UNIVERSITY under this Section 13.A will be determined based upon the "Contract Year" in which notice of termination is given. For purpose of this subsection, the first Contract Year will begin on January 1, 2013 and end on December 31, 2013. The second Contract Year will begin on January 1, 2014 and end on December 31, 2014, with each subsequent Contract Year beginning on January 1 and ending on December 31 of that calendar year. The amount of liquidated damages for each Contract Year is set out below:

| <i>Amount</i> | <i>Contract Year (Dates)</i> |
|---------------|--|
| \$15,000,000 | First, Second, and Third (Prior to 12/31/2015) |
| \$12,900,000 | Fourth and Fifth (1/1/2016 to 12/31/2017) |
| \$8,600,000 | Sixth (1/1/2018 to 12/31/2018) |
| \$4,300,000 | Seventh (1/1/2019 to 12/31/2019) |

- iii. The obligation of UNIVERSITY to make the payments set forth in Section 13.A.ii shall be reduced and extinguished by and to the extent of any compensation COACH earns, receives, or is entitled to receive from any third party after the date of termination without cause. After termination, COACH has the good faith duty and obligation to seek to obtain similar or related employment and to collect sums due him in connection with such employment. In the event COACH obtains such other employment after being terminated by UNIVERSITY without cause, it shall be the duty and obligation of COACH to notify UNIVERSITY that he has obtained other employment and to provide any and all reasonable documentation requested by UNIVERSITY to determine the amount of compensation received by COACH and the amount of offset to which UNIVERSITY is entitled.
- iv. Unless the parties mutually agree in writing to a different payment schedule, liquidated damages under this Section 13.A shall be paid in equal monthly installments over a period of time equal to twice the amount of time then remaining in the term of this Agreement, commencing on the last day of the month immediately following the month in which the termination date occurs and continuing on the last day of each succeeding month thereafter during the payment period. The monthly payments by UNIVERSITY shall be subject to an offset and reduction as set out in Section 13.A.iii, and shall be apportioned on a monthly basis. In addition, the total liquidated damages set forth in Section 13.A.ii and to be paid as scheduled under this Section 13.A.iv shall be reduced by the amount of compensation actually paid to COACH under this Agreement in the terminating Contract Year prior to termination, so that the sum of the total liquidated damages to be paid as scheduled under this Section 13.A.iv and the compensation actually paid during the terminating Contract Year prior to termination equals the "Amount" set forth for the applicable Contract Year in Section 13.A.ii. For purposes of the preceding sentence, "compensation actually paid during the terminating Contract Year" shall not include compensation paid during the terminating Contract Year that was due to Coach for a prior Contract Year.

- v. The offsets, extinguishment and reductions pursuant to this Section 13, if applicable, are not intended to be deferred compensation, but rather a means to mitigate damages in accordance with Louisiana law, and UNIVERSITY will reasonably cooperate with COACH to establish this fact, if necessary.
- B. Termination by COACH. [No Change]
- C. Termination of COACH for Cause. [No Change]
- D. Suspension or Other Disciplinary Action. [No Change]
- E. Termination by Death or Disability. [No Change]
- F. Waiver of Claims. [No Change]
- 14. Indemnification of UNIVERSITY. [No Change]
- 15. Entire Contract. [Revised]

The Agreement dated July 1, 2006, along with this Amendment shall constitute the entire agreement concerning the employment of COACH by the UNIVERSITY and shall upon the effective date hereof, supersede any other agreements (whether oral or written) between the parties. The parties agree that neither has made any representations with respect to the subject matter of this Agreement or any representations except as are specifically set forth herein. The execution of this Amendment shall not be deemed to ratify or confirm any prior action taken by the other party before the effective date of this Amendment. Each party acknowledges that each has relied solely on his and its own judgment in entering this agreement with full opportunity to seek advice of competent counsel, and that the Agreement will be interpreted without reference as to whom was the principal draftsman of any provision.

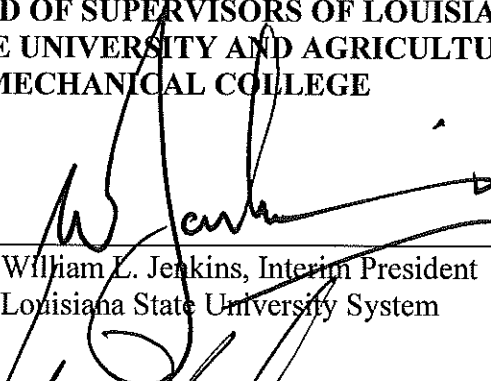
- 16. Severability. [No Change]
- 17. Amendments to Contract. [No Change]
- 18. No Waiver of Default. [No Change]
- 19. Retention of all Materials, Records, Credit Cards and Keys. [No Change]
- 20. Sovereign Immunity Not Waived. [No Change]
- 21. "Force Majeure" Clause. [No Change]

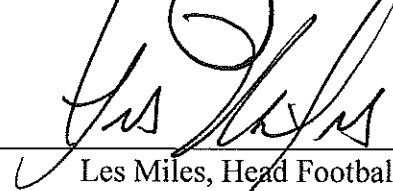
22. Governing Laws. [No Change]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day, month and year first above written in Baton Rouge, Louisiana.

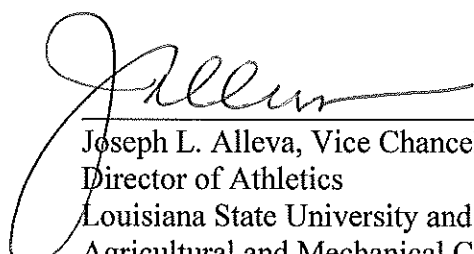
**BOARD OF SUPERVISORS OF LOUISIANA
STATE UNIVERSITY AND AGRICULTURAL
AND MECHANICAL COLLEGE**

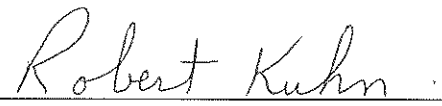
By: _____


William L. Jenkins, Interim President
Louisiana State University System


Les Miles, Head Football Coach
Louisiana State University and
Agricultural and Mechanical College

RECOMMENDED:


Joseph L. Alleva, Vice Chancellor and
Director of Athletics
Louisiana State University and
Agricultural and Mechanical College


Interim Vice Chancellor for Finance
and Administrative Services
Louisiana State University and
Agricultural and Mechanical College

APPROVED BY THE BOARD

FEB 1 2013

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

AMENDMENT TO EMPLOYMENT AGREEMENT

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WITNESSETH

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3. Salary. [No Change]
4. Retirement and Fringe Benefits. [No Change]

5. Sports Camps. [Revised by Prior Amendment and Incorporated Herein]

COACH, subject to state law, NCAA, UNIVERSITY and Athletic Department guidelines, rules and regulations, may operate or work at sports camps/clinics at the UNIVERSITY. The UNIVERSITY does not guarantee or provide any supplemental compensation from the operation of sports camps/clinics. The rights granted to COACH under this paragraph are personal to COACH and exist only during the term of this Agreement. COACH shall not be permitted to sell assign, lease, donate or otherwise transfer any ownership, assets or interests in such a camp or clinic to any other person or entity, without the prior written approval of the Chancellor of the UNIVERSITY.

6. Post-Season. [Revised]

- A. Beginning with the 2011 college football season, in the event the Team participates in post-season football game(s), UNIVERSITY agrees to pay COACH as additional compensation for the extra services required of COACH in the preparation for and his participation in post-season football games as follows:

| <i>Post-Season Goal</i> | <i>Amount</i> |
|--|---------------|
| (i) Participation in SEC Championship Game | \$100,000 |
| (ii) Win SEC Championship Game | \$100,000 |
| (iii) Appear in Post-Season Bowl Game | \$100,000 |
| (iv) Appear in BCS-sponsored Post-Season Bowl Game (including, but not limited to, appearance in the BCS National Championship game) | \$200,000 |
| (v) Win BCS National Championship Game | \$100,000 |

The additional sum or sums, if payable, shall be considered earned as of the date of each game at which a Post-Season Goal is attained and shall be paid within sixty (60) days following the final post-season football game in which the Team and COACH participates. More than one post-season game incentive may be earned by COACH during each intercollegiate football season; provided, however, Post-Season Goals (iii) and (iv) shall be mutually exclusive of each other [i.e., if UNIVERSITY appears in a bowl game that is not BCS-sponsored, \$100,000 shall be payable for attainment of Post-Season Goal (iii), whereas if such appearance is in a BCS-sponsored bowl game (including the BCS National Championship Game) \$200,000 shall

instead be payable for attainment of Post-Season Goal (iv) and no amount shall be payable relative to Post-Season Goal (iii)]. The total amount of additional compensation under this Section 6.A shall not exceed \$500,000 [for items (i) through (v) above] during any one intercollegiate football season.

B. [No Change]

C. [No Change]

D. [Revised]

In any given year after the 2011 football season and each football season thereafter, if the football team wins the National Championship (as recognized by the Bowl Championship Series), the total annual compensation shall be adjusted to be no less than the highest salary of public institutions within the SEC, plus \$1,000.

For purposes of determining the comparative salaries in effect provided for in Section 6.B, 6.C, and 6.D, the *date* that will be used will be the date of the BCS National Championship game if it takes place in January (or if not, then January 1) for each of the referenced paragraphs.

Upon increase in total annual compensation pursuant to this Section 6, appropriate adjustments shall be made to increase compensation levels established pursuant to existing Sections 3, 7 and 9, as necessary and without the need for an amendment to this Agreement or approval by the Board of Supervisors.

7. Radio/Television/Internet Payments. [Revised]

In addition to the salary set forth above, COACH shall be entitled to receive the amount of Two Million Nine Hundred and One Thousand Dollars (\$2,901,000) per year premium benefit contingent on his appearing on or participating in, as requested, and making reasonable efforts to make successful UNIVERSITY sanctioned television, radio and internet programs (the "Programs") concerning the UNIVERSITY and the football program. The amount set forth above shall be payable in twelve (12) equal monthly installments each calendar year. Each installment shall be due on the last business day of the month commencing in January and ending in December.

The reasonable efforts required of COACH under this section shall be the due diligence and personal time customarily exerted by head football coaches in the promotion and production of similar radio, television and internet programs at other institutions of higher education with major football programs.

The UNIVERSITY shall own all rights to the Programs and shall be entitled, at its option, to produce and market the Programs or negotiate with third parties for the production and marketing of the Programs. The UNIVERSITY shall be entitled to retain all revenue generated by the Programs including but not limited to that received from Program sponsors for commercial endorsements used during the programs. "Program sponsors" shall include, but not be limited to, those persons or companies who make financial contributions supporting, or who pay a fee for, commercial announcements and endorsements used on the Programs.

COACH shall not appear without prior written approval of the Chancellor and the Athletic Director on, or in, any radio, television, or internet programs or other electronic medium other than those produced or sponsored by the UNIVERSITY, except routine news media interviews for which no compensation is received. COACH shall not appear in or make any commercial or commercial endorsement without the prior written approval of the Chancellor and the Athletic Director. Such approval shall not be unreasonably withheld.

8. Other Compensation. [Revised]

Beginning with the 2011-2012 academic year, if one of the team academic achievements described below (Academic Performance Rate, Graduation Rate and GPA) is achieved in one academic year (defined as beginning with the summer semester and ending with the spring intersession the following year) during this Agreement, UNIVERSITY shall pay to COACH Two Hundred Thousand Dollars (\$200,000) payable as one-time supplemental compensation to COACH, which compensation is hereby approved without further action by the Board of Supervisors.

- A. Academic Performance Rate "APR" [as defined by the NCAA] for the football team is 960 or higher.
- B. Graduation Rate [as defined by the NCAA] for the football team is 75% or higher.
- C. GPA for the football team is 2.80 or higher.

The compensation under this Section 8, if payable, shall be paid to COACH within sixty (60) days of the end of the academic year.

9. Additional Revenue. [Revised by Prior Amendment and Incorporated Herein]

Subject to the limitations imposed by this section of the Agreement and compliance with applicable laws, NCAA and UNIVERSITY regulations, policies and procedures, including current NCAA Bylaw 11.2, et seq., COACH may earn or receive other revenue while employed by the UNIVERSITY provided, however, that COACH shall obtain prior written approval, which approval shall not be unreasonably withheld, from the Chancellor and Athletic Director before engaging in any commercial or private venture, including the use of COACH's name by any commercial, public or private entity. COACH shall report annually, in writing, in compliance with NCAA Bylaw 11.2, et seq., to the Chancellor through the Director of Athletics on or before August 1st all athletically-related income from sources outside the University.

UNIVERSITY guarantees that COACH will earn or receive Additional Revenue of at least Five Hundred Fifty Thousand and No/100 (\$550,000.00) Dollars during each calendar year of this Agreement. "Additional Revenue" shall include: (a) any monetary benefits earned or received for services to the Tiger Athletic Foundation (TAF), which is currently calculated to be \$500,000.00 during each calendar year of this Agreement; (b) any supplemental monetary benefits paid or funded by the TAF; (c) any monetary benefits earned or received from the UNIVERSITY's football team shoe and equipment provider or other UNIVERSITY vendor, which is currently calculated to be \$50,000.00 for each calendar year of this Agreement; and (d) any income or benefits earned or received by COACH from the UNIVERSITY outside the sums paid under Sections 3, 4, 6, 7 and 8 of this Agreement.

In the event the amount of such Additional Revenue falls below the minimum guaranteed amount, then UNIVERSITY shall pay COACH the difference between the minimum guaranteed amount and the actual Additional Revenue within thirty (30) days of such determination. The UNIVERSITY shall have reasonable access to all applicable records of COACH that are necessary to verify the obligations contained in this Section.

In no event shall any outside income earned by COACH and approved by UNIVERSITY pursuant to PM-11 offset or reduce the amounts payable to COACH under this Section 9.

10. Assignment/Retirement Benefits. [No Change]

11. Supplemental Compensation Based on Length of Service. [No Change]

12. Standards. [No Change]

13. Termination. [Revised]

This Agreement may be terminated by the parties as follows:

A. Termination by UNIVERSITY Without Cause.

- i. UNIVERSITY shall have the right to terminate this Agreement without cause upon written notice to COACH. In such event, UNIVERSITY will pay COACH liquidated damages, in lieu of any and all other legal remedies or equitable relief as detailed below. In the event of termination by UNIVERSITY without cause, COACH's Base Salary and all other compensation and benefits provided for in this Agreement shall terminate on the termination date, and UNIVERSITY shall not thereafter be liable to COACH for any sums or damages other than the liquidated damages provided for herein and any compensation earned pursuant to this Agreement prior to the termination date. The termination date shall be the date on which notice of termination is given, or on such later date as may be set forth by UNIVERSITY in the notice of termination.
- ii. Liquidated damages payable by UNIVERSITY under this Section 13.A will be determined based upon the "Contract Year" in which notice of termination is given. For purpose of this subsection, the first Contract Year will begin on January 1, 2011 and end on December 31, 2011. The second Contract Year will begin on January 1, 2012 and end on December 31, 2012, with each subsequent Contract Year beginning on January 1 and ending on December 31 of that calendar year. The amount of liquidated damages for each Contract Year is set out below:

| <i>Amount</i> | <i>Contract Year (Dates)</i> |
|---------------|---|
| \$18,750,000 | First and Second (Prior to 12/31/2012) |
| \$15,000,000 | Third and Fourth (1/1/2013 to 12/31/2014) |
| \$11,250,000 | Fifth (1/1/2015 to 12/31/2015) |
| \$7,500,000 | Sixth (1/1/2016 to 12/31/2016) |
| \$3,750,000 | Seventh (1/1/2017 to 12/31/2017) |

- iii. The obligation of UNIVERSITY to make the payments set forth in Section 13.A.ii shall be reduced and extinguished by and to the extent of any compensation COACH earns, receives, or is entitled to receive from any third party after the date of termination without cause. After termination, COACH has the good faith duty and obligation to seek to obtain similar or related employment and to collect sums due him in connection with such employment. In the event COACH obtains such other employment after being terminated by UNIVERSITY without cause, it shall be the duty and obligation of COACH to notify UNIVERSITY that he has obtained other employment and to provide any and all reasonable documentation requested by UNIVERSITY to determine the amount of compensation received by COACH and the amount of offset to which UNIVERSITY is entitled.
- iv. Unless the parties mutually agree in writing to a different payment schedule, liquidated damages under this Section 13.A. shall be paid in equal monthly installments over a period of time equal to twice the amount of time then remaining in the term of this Agreement, commencing on the last day of the month immediately following the month in which the termination date occurs and continuing on the last day of each succeeding month thereafter during the payment period. The monthly payments by UNIVERSITY shall be subject to an offset and reduction as set out in Section 13.A.iii, and shall be apportioned on a monthly basis. In addition, the total liquidated damages set forth in Section 13.A.ii and to be paid as scheduled under this Section 13.A.iv shall be reduced by the amount of compensation actually paid to COACH under this Agreement in the terminating Contract Year prior to termination, so that the sum of the total liquidated damages to be paid as scheduled under this Section 13.A.iv and the compensation actually paid during the terminating Contract Year prior to termination equals the "Amount" set forth for the applicable Contract Year in Section 13.A.ii. For purposes of the preceding sentence, "compensation actually paid during the terminating Contract Year" shall not include compensation paid during the terminating Contract Year that was due to Coach for a prior Contract Year.

- v. The offsets, extinguishment and reductions pursuant to this Section 13, if applicable, are not intended to be deferred compensation, but rather a means to mitigate damages in accordance with Louisiana law, and UNIVERSITY will reasonably cooperate with COACH to establish this fact, if necessary.
- B. Termination by COACH. [No Change]
- C. Termination of COACH for Cause. [No Change]
- D. Suspension or Other Disciplinary Action. [No Change]
- E. Termination by Death or Disability. [No Change]
- F. Waiver of Claims. [No Change]
- 14. Indemnification of UNIVERSITY. [No Change]
- 15. Entire Contract. [Revised]

The Agreement dated July 1, 2006, along with this Amendment shall constitute the entire agreement concerning the employment of COACH by the UNIVERSITY and shall upon the effective date hereof, supersede any other agreements (whether oral or written) between the parties. The parties agree that neither has made any representations with respect to the subject matter of this Agreement or any representations except as are specifically set forth herein. The execution of this Amendment shall not be deemed to ratify or confirm any prior action taken by the other party before the effective date of this Amendment. Each party acknowledges that each has relied solely on his and its own judgment in entering this agreement with full opportunity to seek advice of competent counsel, and that the Agreement will be interpreted without reference as to whom was the principal draftsman of any provision.

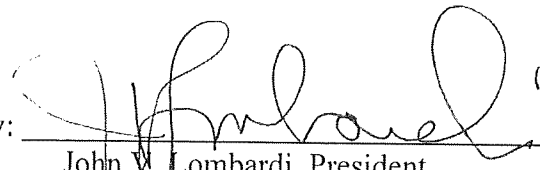
- 16. Severability. [No Change]
- 17. Amendments to Contract. [No Change]
- 18. No Waiver of Default. [No Change]
- 19. Retention of all Materials, Records, Credit Cards and Keys. [No Change]
- 20. Sovereign Immunity Not Waived. [No Change]
- 21. "Force Majeure" Clause. [No Change]

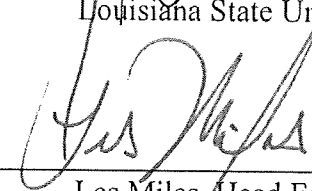
22. Governing Laws. [No Change]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day, month and year first above written in Baton Rouge, Louisiana.

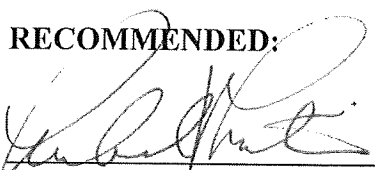
**BOARD OF SUPERVISORS OF LOUISIANA
STATE UNIVERSITY AND AGRICULTURAL
AND MECHANICAL COLLEGE**

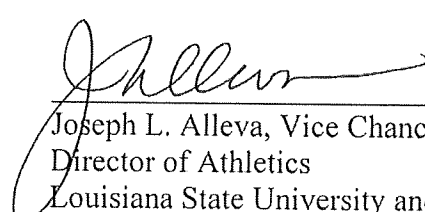
By: _____

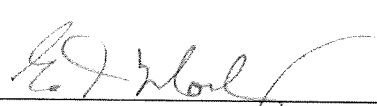

John W. Lombardi, President
Louisiana State University System


Les Miles, Head Football Coach
Louisiana State University and
Agricultural and Mechanical College

RECOMMENDED:


Michael V. Martin, Chancellor
Louisiana State University and
Agricultural and Mechanical College


Joseph L. Alleva, Vice Chancellor and
Director of Athletics
Louisiana State University and
Agricultural and Mechanical College


Eric N. Monday, Vice Chancellor for Finance
and Administrative Services
Louisiana State University and
Agricultural and Mechanical College

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT ("Agreement") made and entered into this _____ of March, 2008, by and between **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE** (herein "UNIVERSITY"), a body corporate existing under the Constitution and laws of the State of Louisiana, herein represented by John V. Lombardi, its duly authorized President, and **Les Miles** (herein "COACH"):

WITNESSETH

THIS AGREEMENT acknowledges the existence of an employment agreement between the above parties dated July 1, 2006, and amendments thereto, including the last amendment signed the 7th day of December, 2007, which are incorporated by reference in this Agreement. Section references below are to the Amended Employment Agreement dated December 7, 2007, relating to the prior agreements:

1. Employment. (No change.)
2. Term. (No change)
3. Salary. (No change.)
4. Retirement and Fringe Benefits. (No change.)
5. Sports Camps. (No change.)
6. Post-Season. (No change)
7. Radio/Television/Internet Payments. (No change.)

8. Team Academic Achievements. (No change)
9. Additional Revenue. (No change.)
10. Assignment/Retirement Benefits. (No change.)
11. Supplemental Compensation Based on Length of Service. (No change.)
12. Standards. (No change.)
13. Termination. This Agreement may be terminated by the parties as follows:
(Revised.)

A. Termination by UNIVERSITY Without Cause.

The UNIVERSITY shall have the right to terminate this Agreement without cause at any time by giving COACH thirty (30) days prior written notice. In the event the UNIVERSITY terminates this Agreement without cause, the UNIVERSITY shall only be liable to COACH for the payment of liquidated damages as follows, no other sums or damages of any kind whatsoever; shall be paid by UNIVERSITY to COACH.

The obligation of UNIVERSITY to make the payments set forth herein shall be reduced and extinguished by and to the extent of any compensation COACH earns and actually receives from the date of termination without cause. COACH has the good faith duty and obligation to seek to obtain similar or related employment and to collect sums due him in connection with such employment.

In the event COACH obtains such other employment after being terminated by the UNIVERSITY without cause, it shall be the duty and obligation of COACH to notify the UNIVERSITY that he has obtained other employment and provide any and all documentation requested by the UNIVERSITY to determine the amount of compensation received by COACH and the amount of offset the UNIVERSITY is due.

Notwithstanding anything to the contrary herein, if UNIVERSITY terminates this Agreement without cause prior to its expiration, UNIVERSITY shall pay, and COACH agrees to accept as liquidated damages, an amount equal to all sums due COACH under the terms of Sections 3, 6, 7 and 9 for each month remaining on the term of the Agreement, calculated from the first full month immediately following the effective date of termination without cause. The liquidated damages shall be paid to COACH over a period of time equal to twice the number of full months remaining on the contract term in monthly installments commencing on the last day of the month immediately following the month in which the termination date occurs and continuing on the last day of each succeeding month thereafter during the payment period. The monthly payments by UNIVERSITY shall be subject to an offset and reduction as previously specified in this Section and apportioned, as feasible, on a monthly basis.

The offsets, extinguishment and reductions pursuant to this Section 13, if applicable, are not intended to be deferred compensation, but rather a means to mitigate damages in accordance with Louisiana law, and UNIVERSITY will reasonably cooperate with COACH to establish this fact if necessary.

Upon termination of COACH'S employment without cause during the term or extended term of this Agreement, the amount of liquidated damages due COACH shall not exceed Eighteen Million Seven Hundred Fifty Thousand Dollars (\$18,750,000).

B. Termination by COACH. (No change.)

C. Termination of COACH for Cause: (No change.)

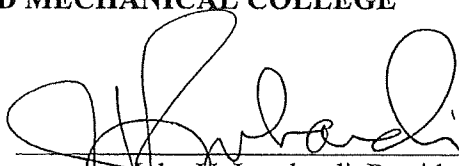
14. Indemnification of UNIVERSITY. (No change.)
15. Entire Contract (Update) The Agreement (contract) of July 1, 2006, along with the Amendment of December 7, 2007, as amended herein (paragraph 13 and this paragraph), and any authorized letter agreements issued pursuant thereto, in addition to the Clarification of Employment Agreement memorandum dated March 12, 2008, constitute the complete agreement concerning the employment of COACH by the UNIVERSITY and shall, upon the effective date hereof, supersede any other oral or written agreements between the parties. The parties agree that neither of them has made any representations with respect to the subject matter of this Agreement (contract) or any representations, including the execution and delivery hereof, except as are specifically set forth herein and each of the parties hereto acknowledges that each has relied solely on his and its own judgment in entering into this agreement with full opportunity to seek advice of competent counsel.
16. Severability. (No change.)
17. Amendments to Contract. (No change.)
18. No Waiver of Default. (No change.)
19. Retention of all Materials, Records, Credit Cards and Keys. (No change.)
20. Sovereign Immunity Not Waived. (No change.)
21. "Force Majeure" Clause. (No change.)
22. Governing Laws. (No change.)

(Amendment to Employment Agreement, Miles and Board)

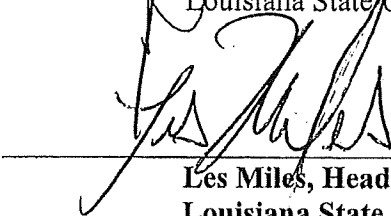
THE PARTIES hereto have executed this Agreement on the day, month and year first above written.

**BOARD OF SUPERVISORS OF LOUISIANA
STATE UNIVERSITY AND AGRICULTURAL
AND MECHANICAL COLLEGE**

By: _____



John V. Lombardi, President
Louisiana State University System



Les Miles, Head Football Coach
Louisiana State University and
Agricultural and Mechanical College

RECOMMENDED:

William L. Jenkins, Acting Chancellor
Louisiana State University and
Agricultural and Mechanical College

Jerry J. Baudin, Vice Chancellor for
Finance and Administrative Services
Louisiana State University and
Agricultural and Mechanical College

Stanley J. "Skip" Bertman, Athletic Director
Louisiana State University and
Agricultural and Mechanical College



Louisiana State University System

3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Office of the President

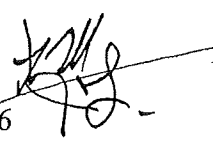
March 12, 2008

225 / 578-2111
225 / 578-5524 fax

MEMORANDUM

TO: Les Miles, Head Football Coach
FROM: John V. Lombardi, President
RE: Clarification of Employment Agreement
DATE: March 12, 2008

This memorandum clarifies your existing employment agreement.

1. In light of the fact that two of the higher paid coaches are at private institutions that do not make publicly available the terms and conditions of their contracts, and that the existing contract is not specific as to whether it includes or excludes consideration of such contracts under these circumstances, and to avoid this uncertainty, we mutually agree to clarify the existing contract relating to ~~Post Season compensation~~ (paragraph 6 D) for the present and future years covered to provide that under the circumstances in paragraph 6D the total annual compensation shall be no less than the highest salary within the SEC, plus \$1,000. 

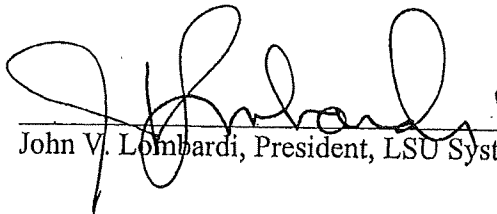
2. For purposes of determining the comparative salaries in effect provided for in paragraph 6, subparagraphs B, C, and D of your employment agreement, the *date* that will be used will be the date of the BCS National Championship game if it takes place in January (or if not, then January 1) for each of the referenced subparagraphs.

3. In exercising the discretion granted in the employment agreement and amendments as to whether to grant a one-year term extension, the Chancellor will be guided by the following:

A. Winning eight or more games in a season presumptively will be the basis for a one-year term extension.

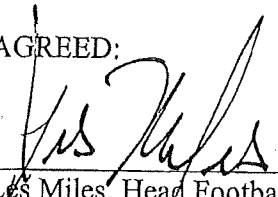
B. A decision by the Chancellor not to grant a one-year term extension for any reason must be concurred in by the President of the LSU System.

4. It is understood that the President and Chancellor will recommend to the Board at its next regular meeting that the provisions of Paragraph 13 of the Amendment to Employment Agreement signed December 7, 2007, be amended to change the amount referenced therein *from \$15 Million to \$18.75 Million.*



John V. Lombardi, President, LSU System

AGREED:



Les Miles, Head Football Coach

3-14-08

Date

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT ("Agreement") made and entered into this 7th of December, 2007, by and between BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (herein "UNIVERSITY"), a body corporate existing under the Constitution and laws of the State of Louisiana, herein represented by John V. Lombardi, its duly authorized President, and Les Miles (herein "COACH"):

WITNESSETH

THIS AGREEMENT acknowledges the existence of an employment agreement between the above parties dated July 1, 2006, and amendments thereto, which are incorporated by reference in this Agreement. Section references below are to the Employment Agreement dated July 1, 2006:

1. Employment. (No change.)
2. Term. The term of this Agreement shall commence on January 1, 2008 and end on December 31, 2012, unless terminated sooner in accordance with Section 13 of this Agreement or extended by mutual written agreement of the parties. The Chancellor is authorized to extend the term of this Agreement at his discretion for up to two years to December 31, 2014, subject to the terms and conditions specified herein. In addition, during the term or extended term, in each succeeding year after the 2008 football season, the Chancellor is authorized after the conclusion of the regular intercollegiate football season to extend the term or extended term by one year.
3. Salary. (No change.)
4. Retirement and Fringe Benefits. (No change.)
5. Sports Camps. (No change.)
6. Post-Season. (Addition.)
 - A. (No change.)

B. (No change.)

C. (No change.)

D. (No change.)

Upon increase in compensation pursuant to this Section 6, appropriate adjustments shall be made to increase compensation levels established pursuant to existing Sections 3, 7 and 9, as necessary and without the need for an amendment to this agreement or Board approval.

7. Radio/Television/Internet Payments. (No change.)

8. Team Academic Achievements. (Revised.)

If one of the team academic achievements described below (Academic Performance Rate, Graduation Rate and GPA) is achieved in one academic year (defined as beginning with the summer semester and ending with the spring intersession the following year) during this Agreement, COACH, with the consent of the Chancellor, which consent will not unreasonably be withheld, may direct UNIVERSITY to make a disbursement of One Hundred Fifty Thousand Dollars (\$150,000) payable as one-time supplemental compensation to staff members of the football program, which supplemental compensation is hereby approved by the Board. If two or more of the team academic achievements described below are achieved in one academic year (defined as beginning with the summer semester and ending with the spring intersession the following year) during this Agreement, COACH, with the consent of the Chancellor which consent will not unreasonably be withheld, may direct UNIVERSITY to make a disbursement of Two Hundred Fifty Thousand Dollars (\$250,000) payable as one-time supplemental compensation to staff members of the football program, which supplemental compensation is hereby approved by the Board.

A. Academic Performance Rate "APR" [as defined by the NCAA] for the football team is 950 or higher in years 2007-2008 or 2008- 2009, and 960 or higher in years 2009-2010, 2010-2011 or 2011-2012.

B. Graduation Rate [as defined by the NCAA] for the football team is 75% or higher.

C. GPA for the football team is a 2.80 or higher.

It is expressly understood and agreed that all sums paid by UNIVERSITY pursuant to this Section 8 are not compensation to COACH, but rather limited administrative management rights granted herein as a head coach. COACH has no personal dominion or control over such supplemental compensation paid to staff members of the football program.

9. Additional Revenue. (No change.)

10. Assignment/Retirement Benefits. (No change.)
11. Supplemental Compensation Based on Length of Service. (No change.)
12. Standards. (No change.)
13. Termination. This Agreement may be terminated by the parties as follows:
(Revised.)

A. Termination by UNIVERSITY Without Cause.

The UNIVERSITY shall have the right to terminate this Agreement without cause at any time by giving COACH thirty (30) days prior written notice. In the event the UNIVERSITY terminates this Agreement without cause, the UNIVERSITY shall only be liable to COACH for the payment of liquidated damages as follows, no other sums or damages of any kind whatsoever; shall be paid by UNIVERSITY to COACH.

The obligation of UNIVERSITY to make the payments set forth herein shall be reduced and extinguished by and to the extent of any compensation COACH earns and actually receives from the date of termination without cause. COACH has the good faith duty and obligation to seek to obtain similar or related employment and to collect sums due him in connection with such employment.

In the event COACH obtains such other employment after being terminated by the UNIVERSITY without cause, it shall be the duty and obligation of COACH to notify the UNIVERSITY that he has obtained other employment and provide any and all documentation requested by the UNIVERSITY to determine the amount of compensation received by COACH and the amount of offset the UNIVERSITY is due.

Notwithstanding anything to the contrary herein, if UNIVERSITY terminates this Agreement without cause prior to its expiration, UNIVERSITY shall pay, and COACH agrees to accept as liquidated damages, an amount equal to all sums due COACH under the terms of Sections 3, 6, 7 and 9 for each month remaining on the term of the Agreement, calculated from the first full month immediately following the effective date of termination without cause. The liquidated damages shall be paid to COACH over a period of time equal to twice the number of full months remaining on the contract term in monthly installments commencing on the last day of the month immediately following the month in which the termination date occurs and continuing on the last day of each succeeding month thereafter during the payment period. The monthly payments by UNIVERSITY shall be subject to an offset and reduction as previously specified in this Section and apportioned, as feasible, on a monthly basis.

The offsets, extinguishment and reductions pursuant to this Section 13, if applicable, are not intended to be deferred compensation, but rather a means to mitigate damages in accordance with Louisiana law, and UNIVERSITY will reasonably cooperate with COACH to establish this fact if necessary.

Upon termination of COACH'S employment without cause during the term or extended term of this Agreement, the amount of liquidated damages due COACH shall not exceed Fifteen Million Dollars (\$15,000,000).

B. Termination by COACH. (No change.)

C. Termination of COACH for Cause: (No change.)

14. Indemnification of UNIVERSITY. (No change.)

15. Entire Contract. (No change.)

16. Severability. (No change.)

17. Amendments to Contract. (No change.)

18. No Waiver of Default. (No change.)

19. Retention of all Materials, Records, Credit Cards and Keys. (No change.)

20. Sovereign Immunity Not Waived. (No change.)

21. "Force Majeure" Clause. (No change.)

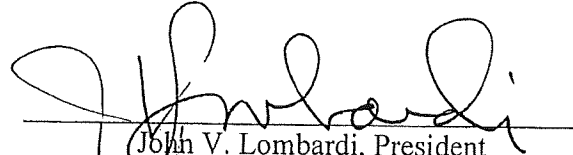
22. Governing Laws. (No change.)

Underlining of text included to highlight major amendments, but not controlling over text itself.

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

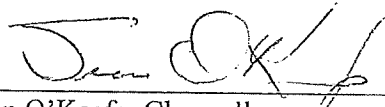
**BOARD OF SUPERVISORS OF LOUISIANA
STATE UNIVERSITY AND AGRICULTURAL
AND MECHANICAL COLLEGE**

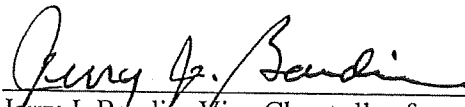
By: _____

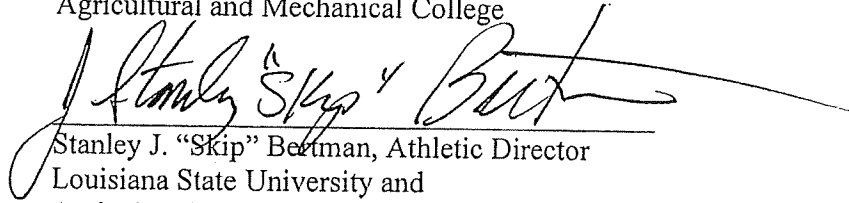

John V. Lombardi, President
Louisiana State University System

Les Miles, Head Football Coach
Louisiana State University and
Agricultural and Mechanical College

RECOMMENDED:


Sean O'Keefe, Chancellor
Louisiana State University and
Agricultural and Mechanical College


Jerry J. Baudin, Vice Chancellor for
Finance and Administrative Services
Louisiana State University and
Agricultural and Mechanical College


Stanley J. "Skip" Bertman, Athletic Director
Louisiana State University and
Agricultural and Mechanical College

Final
PRL

7-12-06

EMPLOYMENT AGREEMENT

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

THIS AGREEMENT made and entered into as of this 1 day of July, 2006, by and between BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (hereinafter "UNIVERSITY"), a body corporate existing under the Constitution and laws of the State of Louisiana, herein represented by William L. Jenkins, its duly authorized President, and Les Miles (hereinafter "COACH"):

WITNESSETH

1. **Employment.** The UNIVERSITY does hereby employ COACH as Head Football Coach of the intercollegiate football program of Louisiana State University and Agricultural and Mechanical College, Baton Rouge, Louisiana, and COACH does hereby accept such employment and agrees to perform all those services and duties, both scholastic and athletic, pertaining to the football program as prescribed by the UNIVERSITY through the Chancellor and Athletics Director which are required of COACH.

2. **Term.** The term of this Agreement shall be for a definite term, commencing on January 1, 2007 and ending on December 31, 2010, (the end date of the Contract) unless terminated sooner in accordance with Section 13 of this Contract or extended by mutual written agreement of the parties. In addition, the Chancellor of the UNIVERSITY is authorized to extend the term of this Agreement one (1) year for no less than One Million Eight Hundred Fifty Thousand No/00 (1,850,000.00) Dollars, (exclusive of all additional compensation in sections 6 and 8) provided that the effective date of such extension may be executed no earlier than December 5, 2006, and shall extend this Agreement through December 31, 2011, under the terms

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and conditions specified herein. During the duration of this Agreement, in each succeeding year after the 2007 football season the Chancellor of the UNIVERSITY is authorized to extend this Agreement by one (1) year, after the conclusion of the regular intercollegiate football season.

3. **Salary.** The UNIVERSITY agrees to pay COACH an annual salary of Three Hundred Thousand and No/00 (\$300,000.00) Dollars, payable in twelve (12) equal monthly installments. Annually after the conclusion of the football season, the UNIVERSITY and COACH will review the status of the football program and consider whether there should be an increase in salary, a contract extension or other adjustments of the benefits due COACH under the Contract.

4. **Retirement and Fringe Benefits.** COACH shall be entitled to participate in the retirement and fringe benefit programs available to all UNIVERSITY employees, subject to the limitations of Section 10 of this Contract. During the term of this contract, subject to compliance with standards set forth in the affiliated-foundation agreement, the employee may be granted the following benefits with written approval by the Athletics Director: (a) Membership(s) in social clubs, such as the University Club of Baton Rouge and Rotary Clubs, provided that: (i) subject to applicable University policy, monthly dues shall be payable from affiliated-foundation funds; and (ii) employee shall be responsible for payment of all personal charges; (b) mobile communication device and service, for which some of all charges incurred may be payable from affiliated-foundation funds; and (c) courtesy vehicle allowance in the amount of Six Hundred No/00 (\$600.00) Dollars payable from affiliated-foundation funds.

5. Sports Camps. COACH, subject to state law, NCAA, UNIVERSITY and Athletic Department guidelines, rules and regulations, may operate or work at sports camps/clinics at the UNIVERSITY. The UNIVERSITY does not guarantee or provide any supplemental compensation from the operation of sports camps/clinics.

6. Post-Season.

A. In the event the football team participates in post-season football games, the UNIVERSITY agrees to pay COACH as additional compensation for the extra services required of COACH in the preparation for and participation in post-season football games as follows:

a. Appear in any post season bowl game - \$50,000.00

OR

b. Appear in any BCS sponsored post season bowl game - \$100,000.00

c. Appear in any bowl game as SEC Western Division champion either as a result of a tie or as the Western Division representative - \$50,000.00

d. Appear in the SEC championship game - \$75,000.00

e. Appear in the BCS National Championship game - \$175,000.00

The additional sum or sums, if payable, shall be paid within sixty (60) days following the post-season football game in which the UNIVERSITY participates. (More than one (1) post-season game incentive may be earned by COACH during each intercollegiate football season; however, the additional compensation shall not exceed \$400,000 (for items a or b through e above) during any one intercollegiate football season.)

B. In any given year, effective after the 2007 football season and each football season thereafter, if the football team finishes the season with 10 or more victories, the total

LM

annual compensation shall be adjusted to be no less than the fifth highest salary within the Southeastern Conference.

C. In any given year, effective after the 2007 football season and each football season thereafter, if the football team wins the Southeastern Conference Championship, the total annual compensation shall be adjusted to be no less than the third highest paid salary within the Conference.

D. In any given year, effective after the 2007 football season and each football season thereafter, if the football team wins the National Championship (as recognized by the Bowl Championship Series), the total annual compensation shall be adjusted to be no less than the third highest salary within NCAA Division I intercollegiate football.

All pay increases shall become effective within sixty (60) days following the final post-season football game in which the UNIVERSITY participates during any one intercollegiate football season.

7. **Radio/Television/Internet Payments.** In addition to the salary set forth above, COACH shall be entitled to receive in the years 2007 and 2008 Nine Hundred Fifty Thousand and No/00 (\$950,000.00) Dollars per year and in the years 2009 and 2010 Nine Hundred Seventy-Five Thousand and No/00 (\$975,000.00) Dollar per year premium benefit contingent on his appearing on or participating in, as requested, and making all reasonable efforts to make successful UNIVERSITY sanctioned television, radio and internet programs (the "Programs") concerning the UNIVERSITY and the football program. The amount set forth above shall be payable in twelve (12) equal monthly installments each calendar year. Each installment shall be due on the last business day of the month commencing in January and ending in December.

The reasonable efforts required of COACH under this section shall be the due diligence and personal time customarily exerted by head football coaches in the promotion and production of similar radio, television and internet programs at other institutions of higher education with major football programs.

The UNIVERSITY shall own all rights to the programs and shall be entitled, at its option, to produce and market the programs or negotiate with third parties for the production and marketing of the programs. The UNIVERSITY shall be entitled to retain all revenue generated by the programs including but not limited to that received from program sponsors for commercial endorsements used during the programs. "Program sponsors" shall include, but not be limited to, those persons or companies who make financial contributions supporting, or who pay a fee for, commercial announcements and endorsements used on the programs.

COACH shall not appear without the prior written approval of the Chancellor and Athletics Director on, or in, any radio, television, or internet programs or other electronic medium other than those produced or sponsored by the UNIVERSITY, except routine news media interviews for which no compensation is received. COACH shall not appear in or make any commercial or commercial endorsement without the prior written approval of the Chancellor and Athletics Director. Such approval shall not be unreasonably withheld.

8. **OTHER COMPENSATION.** In the event the Academic Performance Rate "APR" [as defined by the NCAA] for the football team is 950 or higher in years 2006-2007 or 2007-2008; COACH shall receive supplemental compensation (one time payment) of Twenty-Five Thousand and No/100 (\$25,000.00) Dollars. In the event the "APR" [as defined by the NCAA] for the football team is 960 or higher in years 2008-2009 or 2009-2010, COACH shall receive

supplemental compensation (one time payment) of Twenty-Five Thousand and No/100 (\$25,000.00) Dollars. In the event the "graduation rate" [as defined by the NCAA] for the football team is 75% or higher, during the duration of this Agreement, COACH shall receive supplemental compensation (one time payment) of Fifty Thousand and No/100 (\$50,000.00) Dollars.

In the event the GPA for the football team is a 2.80 or higher, COACH shall receive a payment of Fifty Thousand and No/100 (\$50,000.00) Dollars for each academic year this goal is obtained. (Academic year for the purposes of this agreement shall be defined as beginning with summer semester and ending with the spring intersession the following year).

9. **Additional Revenue.** Subject to the limitations imposed by this section of the Contract and compliance with applicable laws, NCAA and UNIVERSITY regulations, policies and procedures, including current NCAA Bylaw 11.2, et seq., COACH may earn or receive other revenue while employed by the UNIVERSITY provided, however, that COACH shall obtain prior written approval, which approval shall not be unreasonably withheld, from the Chancellor and Athletics Director before engaging in any commercial or private venture, including the use of COACH's name by any commercial, public or private entity. COACH shall report annually, in writing, in compliance with NCAA Bylaw 11.2, et seq., to the Chancellor through the Director of Athletics on August 1st all athletically-related income from sources outside the University.

UNIVERSITY guarantees that COACH will earn or receive Additional Revenue of at least Five Hundred Fifty Thousand (\$550,000.00) Dollars during each calendar year of this Agreement. "Additional Revenue" shall include: (a) any monetary benefits earned or received

for services to the Tiger Athletic Foundation (TAF), which is currently calculated to be \$500,000.00 during each calendar year of this Agreement; (b) any supplemental monetary benefits paid or funded by the TAF; (c) any monetary benefits earned or received from the UNIVERSITY's football team shoe and equipment provider or other UNIVERSITY vendor, which is currently calculated to be \$50,000.00 for each calendar year of this Contract; and (d) any income or benefits earned or received by COACH from the UNIVERSITY outside the sums paid under Sections (3), (4), (6), (7) and (8) of this Contract.

In the event, the amount of such Additional Revenue falls below the minimum guaranteed amount, then UNIVERSITY shall pay COACH the difference between the minimum guaranteed amount and the actual Additional Revenue within thirty (30) days of such determination. The UNIVERSITY shall have reasonable access to all applicable records of COACH that are necessary to verify the obligations contained in this Section.

10. **Assignment/Retirement Benefits.**

A. **Assignment.** To the extent permitted by law, COACH may require the University to contract with a separate legal entity, whether under the control of COACH or not (other entity), for the performance of any services by COACH required or authorized under Sections 7 and 9. The form of the contract shall be subject to the approval of the UNIVERSITY, which approval shall not be withheld unreasonably.

B. **Retirement Benefits.** Regardless of whether the services are performed directly for the UNIVERSITY or through contract with a separate legal entity, whether such other entity is under the control of COACH or not, sums paid under Sections 7 and 9 of this Contract shall not be considered "base pay," "earned compensation," or "earnable

compensation" as such terms are defined in Louisiana Revised Statutes 11:403 and 11:701, or other applicable Louisiana retirement laws, and shall not be included as compensation for the purposes of computation of retirement benefit.

11. Supplemental Compensation Based on Length of Service.

COACH shall have immediate access to funds in the amount of Four Hundred and No/00 (\$400,000.00), accrued during the 2005 and 2006 football seasons, and placed into an account owned and controlled by the UNIVERSITY or TAF agreed to in the terms of Section 11 in the previous Agreement between the UNIVERSITY dated January 21, 2005.

12. Standards.

A. COACH shall perform his duties and personally comport himself at all times in a manner consistent with good sportsmanship and in accordance with the high moral, ethical and academic standards of the Athletic Department and the UNIVERSITY. At all times COACH shall exercise due care that all personnel and students under COACH's supervision or subject to COACH's control or authority, comport themselves in a like manner. COACH shall further observe and respect the principles of institutional control in every aspect of the football program.

B. COACH further agrees that COACH will remain familiar with, and at all times comply with, applicable federal and state laws including the Buckley Amendment, UNIVERSITY regulations, and governing athletic rules; and, at all times shall exercise due care that all personnel and students under COACH's supervision or subject to his control or authority similarly shall so comply. In particular, COACH recognizes an obligation personally to comply

with and to exercise due care that all personnel and students subject to his direct control or authority comply with governing athletic rules including but not limited to those relating to recruiting and furnishing of unauthorized extra benefits to recruits and student athletes, including without limitation purchase or sale of game tickets and furnishing of unauthorized transportation, housing and meals, and with laws and governing athletic rules relating to agents, illegal gambling, illegal betting and bookmaking, and illegal use, sale or possession of narcotics, drugs, controlled substances or other chemicals or steroids. In the event that COACH becomes aware, or has reasonable cause to believe, that violations governing athletic rules may have taken place, he shall report the same promptly to the Athletics Director.

C. Unless notice has been given to COACH by the UNIVERSITY of COACH's termination pursuant to Section 13 of this Contract, neither COACH nor his agent shall, under any circumstances, discuss or negotiate directly or indirectly his prospective employment with any other institution of higher education or professional athletic team without giving at least 24 hours prior written notice to the Athletics Director.

D. COACH recognizes that the primary mission of UNIVERSITY is to serve as an institution of higher education and shall fully cooperate with academic counselors or similar persons designated by the UNIVERSITY to assist student athletes and the faculty and administrators of the UNIVERSITY in connection with the academic pursuits of student athletes and shall use his personal best to encourage and promote those efforts. In that respect, COACH recognizes that the goal of UNIVERSITY is that every student athlete obtain a baccalaureate degree and agrees to fully support the attainment of this goal.

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E. COACH shall, at all times, take every action necessary to comply with and to implement the policies of the Athletic Department and UNIVERSITY relating to substance abuse and class attendance by students subject to his direct control or authority, and to exercise due care that all personnel and students subject to his direct control or authority comply with such policies. COACH represents and warrants that he has read such policies and that he will remain current as to the content of such policies.

F. COACH shall not, without approval of the Chancellor and Athletics Director, arrange for or agree to the receipt by his assistant coaches of any supplemental pay, bonus or other form of payment from any outside source, except for income earned by assistant coaches from COACH's operation of his sports camps.

13. **Termination.** This Agreement may be terminated by the parties as follows:

A. **Termination by UNIVERSITY Without Cause.**

The UNIVERSITY shall have the right to terminate this Agreement without cause at any time by giving COACH thirty (30) days written notice. In the event the UNIVERSITY terminates this Agreement without cause, the UNIVERSITY shall only be liable to COACH for the payment of liquidated damages as follows, no other sums or damages of any kind whatsoever, shall be paid by UNIVERSITY to COACH.

If terminated without cause, the UNIVERSITY shall be liable to pay COACH the amount of One Million Eight Hundred Thousand No/00 (1,800,000.00) Dollars per year in the years 2007 and 2008 and One Million Eight Hundred and Twenty-Five Thousand No/00 (1,825,000.00) Dollars per year in the years 2009 and 2010 or portion thereof (pro rata) remaining under this Agreement

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The obligation of UNIVERSITY to make the payments set forth herein shall be reduced and extinguished by and to the extent of any compensation COACH earns, receives or is entitled to receive from the date of termination without cause. COACH has the good faith duty and obligation to obtain other employment.

In the event COACH obtains other employment after being terminated by the UNIVERSITY, it shall be the duty and obligation of COACH to notify the UNIVERSITY that he has obtained other employment and provide any and all documentation requested by the UNIVERSITY to determine the amount of compensation received by COACH and the amount of offset the UNIVERSITY is due.

At no time during the duration of this Agreement or pursuant to any extension or salary adjustment granted under the authority specified herein, the amount of compensation owed to COACH shall not exceed Ten Million Dollars No/00 (\$10,000,000) Dollars. Said amount shall be payable in equal monthly installments over the remaining term of this Agreement and discounted by the amounts received after termination.

B. Termination by COACH.

COACH covenants and agrees that as part of the consideration of this Agreement he will not seek nor will he accept employment as a football coach at the University of Michigan for the term of this Agreement. It being expressly understood that should COACH accept employment at the University of Michigan, COACH shall pay to the UNIVERSITY in lieu of all other legal remedies, liquidated damages in the sum of One Million Two Hundred Fifty and No/100 (\$1,250,000.00) Dollars.

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C. **Termination of COACH for Cause:** UNIVERSITY may terminate this Agreement for cause, and such right of termination shall exist notwithstanding any rights available to the UNIVERSITY under Section 13.A. Cause for this purpose shall mean any one or more of the following:

1. Neglect or inattention by COACH to the duties as specified in Section 1, or COACH's refusal or unwillingness to perform such duties in good faith and to the best of COACH's abilities within thirty (30) days of receiving specific written notice of such neglect or inattention to duties from the Athletics Director; or
2. Material significant or repetitive violation or breach by COACH of this Contract, including without limitation Section 12 thereof, or of governing athletic rules or of UNIVERSITY regulations; or
3. Conviction of COACH of a felony under state or federal law (excluding minor traffic offenses); or
4. Fraud by COACH in the performance of his duties and responsibilities hereunder; or
5. Fraud by COACH in the preparation, falsification, or alteration of documents or records of the UNIVERSITY, NCAA or SEC, or documents or records pertaining to any recruit or student athlete, including without limitation transcripts, eligibility forms, or compliance reports, or permitting, encouraging or condoning such fraudulent acts by any other person; or
6. Failure by COACH to respond accurately and fully within a reasonable time to any reasonable requests or inquiry relating to the performance of his duties hereunder or

his prior employment at any other institution of higher learning propounded by the UNIVERSITY, NCAA, SEC or other governing body having supervision over the athletic programs of UNIVERSITY or such other institution of higher education, or required by law, governing athletic rules, or UNIVERISITY regulations; or

7. Counseling or instructing by COACH of any other coach, student, or other person to fail to respond accurately and fully within a reasonable time to any reasonable request or inquiry concerning a matter relevant to the athletic programs of UNIVERSITY or other institution of higher education which shall be propounded by the UNIVERSITY, NCAA, SEC or other governing body having supervision over the athletic programs of UNIVERSITY or such other institution of higher education, or which shall be required by law, governing athletic rules, or UNIVERSITY regulations; or

8. Soliciting, placing, or accepting by COACH of a bet on any intercollegiate athletic contest, or permitting, encouraging, or condoning such acts by any other person; or

9. Participating in, condoning or encouraging by COACH of any illegal gambling, bookmaking or illegal betting involving any intercollegiate or professional athletic contest whether through a bookmaker, a parlay card, a pool, or any other method of organized gambling; or

10. Furnishing by COACH of information or data relating in any manner to any UNIVERSITY sport to any individual known by COACH to be or whom he should reasonably know to be a gambler, better, or bookmaker, or an agent of any such person, or the consorting or associating by COACH with such persons; or

11. Use or consumption by COACH of alcoholic beverages or narcotics, drugs, controlled substances, steroids, or other chemicals in such degree and for such appreciable period as to impair his ability to perform his duties hereunder;

12. (a) Sale, use or possession by COACH of any narcotics, drugs, controlled substances, steroids or other chemicals, the sale, use or possession of which by COACH is prohibited by law or by governing athletic rules; or

(b) Permitting, encouraging or condoning by COACH of the sale, use, or possession by any student athlete of any narcotics, drugs, controlled substances, steroids or other chemicals, the sale, use or possession of which by any student athlete is prohibited by law or by governing athletic rules; or

(c) Failure by COACH to fully cooperate in the enforcement and implementation of any drug testing program established by UNIVERSITY for student athletes; or

(d) Failure by COACH to fully cooperate in the enforcement of the NCAA regulations relating to the use of agents; or

13. Subject to any right of administrative appeal permitted or granted to COACH by such bodies, the making or rendition of a finding or determination by NCAA, SEC, or any commission, committee, council, or tribunal of the same, of one or more major, significant or repetitive violations by COACH of governing athletic rules, or of any such major, significant or repetitive violations by others under the direct supervision of COACH which were permitted, encouraged, or condoned by COACH, or about which violations COACH knew or reasonably should have known and failed to act reasonably to prevent, limit, or mitigate. (It is

recognized that this sub-section encompasses findings or determinations of violations during employment of COACH at UNIVERSITY or any other institution of higher education); or

14. Failure by COACH to report promptly to Athletics Director any violations known to COACH of governing athletic rules or UNIVERSITY regulations by coaches, students or other persons under the direct control or supervision of COACH; or

15. Failure by COACH to obtain prior approval for outside activities as required by Section (9) or to report accurately all sources and amounts of all income and benefits as required by Section (9); or

16. Commission of or participation in by COACH of any crime or other serious misconduct which brings COACH into public disrepute sufficient to impair COACH'S ability to continue in his position without adverse impact on the UNIVERSITY'S football program or reputation.

The judgment as to whether the conduct of COACH constitutes cause under this provision shall not be exercised arbitrarily or capriciously by the UNIVERSITY. In the event of such termination, COACH will receive thirty (30) calendar day's notice of termination or thirty (30) calendar day's regular pay in lieu of such notice. All compensation, including salary benefits and other remuneration set forth in this contract incidental to COACH'S employment, cease upon termination, other than compensation owed COACH for services performed by COACH prior to termination.

D. Suspension or Other Disciplinary Action. The UNIVERSITY may suspend or take disciplinary action as follows:

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1. Suspension. In lieu of termination for cause, and apart from any rights under Section (13)(A), the UNIVERSITY may suspend COACH for a period not to exceed ninety (90) days for any one or more of the acts or omissions representing grounds for termination for cause. During a period of suspension under this sub-section, COACH shall not be entitled to receive any remuneration under this contract.

2. Suspension for Criminal or Other Charges. As an alternative or supplement to any other remedies available hereunder, the UNIVERSITY may suspend COACH on the following grounds:

- a) In the event of an indictment or bill of information being filed against COACH charging a felony; or
- b) In the event of formal inquiry or charge by NCAA or SEC, or any commission, committee, council or tribunal of the same, alleging or finding one or more major, significant, or repetitive violations by COACH personally of governing athletic rules, or such violations by other persons which were permitted, encouraged or condoned by COACH or of which COACH had actual or constructive knowledge and failed to act reasonably to prevent, limit or mitigate, but only after the UNIVERSITY determines by its investigation that such violation or violations actually occurred or that COACH failed or refused to cooperate with the UNIVERSITY'S investigation or that COACH gave material untruthful statements to the UNIVERSITY or the NCAA or the SEC.

Such suspension may continue until final resolution of such matter or proceeding. During such suspension, COACH may receive only the salary specified in Section (3) and the benefits described in Section (4), and shall not be entitled to receive any other benefits, compensation or remuneration set forth in this contract for the period of such suspension. If the

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matter giving rise to the suspension is finally resolved completely in favor of COACH, and does not otherwise represent an independent basis for termination hereunder for cause, the UNIVERSITY shall pay or make available to COACH an adequate portion of benefits hereunder otherwise payable to COACH during the period of suspension. If the benefits are from sources outside the UNIVERSITY, the UNIVERSITY shall only be obligated to pay the amounts received from the outside source. Suspension under this sub-section shall not limit any rights of the UNIVERSITY to terminate COACH for cause.

3. Disciplinary Action. The UNIVERSITY shall have the right to take disciplinary or corrective action, short of suspension or termination for cause, against COACH for violation of any provision of this contract or for any reason which would allow termination for cause or suspension under the provisions of Section (13) of this contract. Such disciplinary action may include, but is not limited to reprimand or probation and shall not affect any other rights the UNIVERSITY has under Section (13) of this contract. In addition, COACH shall be subject to disciplinary or corrective action by the NCAA or SEC for any violation of NCAA or SEC regulations, respectively. Such action by NCAA or SEC shall not preclude or, in any manner, affect UNIVERSITY'S right to take such other corrective or disciplinary action as it deems necessary or proper, including termination for cause.

E. Termination by Death or Disability. In the event of death of COACH or inability of COACH to perform the obligations described in this Agreement by reason of illness or some other occurrence beyond the control of either party, and such inability to perform has continued or will continue beyond a reasonable period of time as determined by the UNIVERSITY, this Agreement shall terminate as a termination with cause/and all future obligations between the parties shall cease unless otherwise required by law.

F. Waiver of Claims. The financial consequences of termination of this contract or suspension hereunder are exclusively set forth herein. Therefore, with the sole exception of payments required by this contract, in any instance of termination for cause or without cause, or suspension effected in accordance with the procedures established in this contract, neither COACH nor the UNIVERSITY shall be entitled to receive, and each hereby waives any claim against the other, and their respective officers, directors, agents, employees, successors, and personal representatives for consequential damages by reason of any alleged economic loss, including without limitation loss of collateral income, deferred income, loss of earning capacity, loss of business opportunity, loss of perquisites, loss of fees from speech, camp or other outside activity, or expectation income, or damages allegedly sustained by reason of alleged humiliation or defamation resulting from the fact of termination, the public announcement thereof, or the release by the UNIVERSITY or COACH of information or documents required by law. COACH acknowledges that in the event of termination of this contract for cause, without cause or otherwise, COACH shall have no right to occupy the position of Head Football Coach and that his sole remedies are provided herein and shall not extend to injunctive relief. COACH further acknowledges that he has no expectation of the granting of tenure by UNIVERSITY.

Additionally, the UNIVERSITY or its athletic foundation, at the sole discretion of the UNIVERSITY, shall have the right at any time during the term of this Agreement to take out key man insurance or other insurance on the life of COACH. COACH shall fully cooperate in the underwriting and issuance of any such insurance.

14. Indemnification of University.

COACH agrees to indemnify the UNIVERSITY for all cost and expenses, including attorney's fees, incurred by the UNIVERSITY as a result of the UNIVERSITY's football program being placed on probation due to a serious or intentional violation of NCAA rules and regulations by COACH.

15. Entire Contract. This contract embodies the complete agreement concerning the employment of COACH by the UNIVERSITY and shall, upon the effective date hereof, supersede any other oral and written agreements between the parties. The parties agree that neither of them has made any representations with respect to the subject matter of this contract or any representations, including the execution and delivery hereof, except as are specifically set forth herein and each of the parties hereto acknowledges that each has relied solely on his and its own judgment in entering into this agreement with full opportunity to seek advice of competent counsel.

16. Severability. If any provision of this contract shall be deemed invalid or unenforceable, either in whole or in part, this contract shall be deemed amended to delete or modify, as necessary, the offending provision or to alter the bounds thereof in order to render it valid and enforceable.

17. Amendments to Contract. This contract may be amended at any time only by a written instrument duly approved by the UNIVERSITY through its designated representatives and accepted by COACH, such approval and acceptance to be acknowledged in writing.

18. No Waiver of Default. No waiver by the parties hereto of any default or breach of any covenant, term or condition of this contract 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.

19. Retention of all Materials, Records, Credit Cards and Keys. All documents, records, or materials, including without limitation personnel records, recruiting records, team information, films, statistics or any other material or data, furnished to COACH by the UNIVERSITY or developed by COACH on behalf of or at the expense of the UNIVERSITY or otherwise in connection with the employment of COACH are and shall remain the sole and confidential property of the UNIVERSITY. Within ten (10) days of the expiration or termination of this Agreement, COACH shall cause any such materials in his possession or control to be delivered to the UNIVERSITY. AT the same time, COACH shall return to the UNIVERSITY all credit cards or keys issued to him by the UNIVERSITY.

20. Sovereign Immunity Not Waived. It is expressly agreed and understood between the parties that nothing contained herein 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.

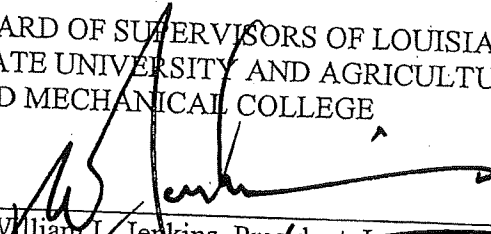
21. "Force Majeure" Clause. Neither party shall be considered in default performance of his or its obligations under this Agreement if such performance is prevented or delayed by Force Majeure. "Force Majeure" shall be understood to be any cause which is beyond the reasonable control of the party affected and which is forthwith, by notice from the party affected, brought to the attention of the other party, including but not limited to war,

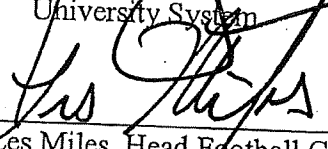
hostilities, revolution, civil commotion, strike, lockout, epidemic, accident, fire, wind or flood or any requirements of law, or an act of God.

22. Governing Laws. This contract shall be enforced and construed in accordance with the laws of Louisiana.

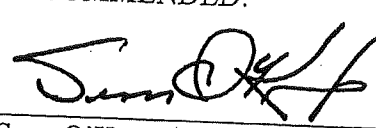
IN WITNESS WHEREOF, the parties hereto have executed this Contract of Employment on the day, month and year first above written.

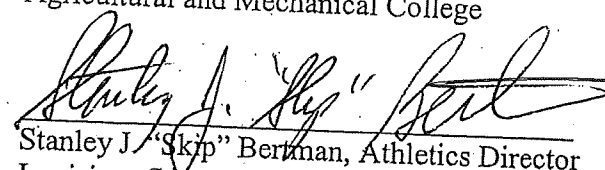
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STATE UNIVERSITY AND AGRICULTURAL
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By 
William L. Jenkins, President, Louisiana State
University System


Les Miles, Head Football Coach
Louisiana State University and Agricultural and
Mechanical College

RECOMMENDED:


Sean O'Keefe, Chancellor
Louisiana State University and
Agricultural and Mechanical College


Stanley J. "Skip" Berman, Athletics Director
Louisiana State University and
Agricultural and Mechanical College