

INDIANA UNIVERSITY
EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made this 19th day of January 2016 between THE TRUSTEES OF INDIANA UNIVERSITY, a statutory body politic of the State of Indiana (the "University") and Thomas Allen (the "Employee").

ARTICLE I – PURPOSE

The University hereby employs the Employee, effective immediately, as a Defensive Coordinator of the University's intercollegiate football team ("Team") on the terms and conditions of this Agreement. The parties agree that, although this Employment Agreement is athletics-related, the primary purpose of the University and, accordingly, of all its legal arrangements, including this Employment Agreement, is educational. Thus, the educational purposes of the University shall have priority in the various provisions of this Agreement. The Employee recognizes the importance of the maintenance and observance of the principles of institutional control over every aspect of the athletic program, including football, at the University. The Employee shall recognize and respect the organizational structure of the University in the execution of his duties under this Agreement.

ARTICLE II - POSITION

2.01 Employee's Duties and Responsibilities.

A. General Duties and Responsibilities. Throughout the Term (as hereinafter defined), the Employee shall have the following general duties and responsibilities:

1. *Loyalty and Best Efforts.* The Employee shall devote his best efforts and abilities full-time to the performance of his duties for the exclusive benefit of the University. The Employee agrees to undertake and perform properly, efficiently, to the best of his ability and consonant with the standards of the University all obligations, duties and responsibilities attendant to the position of Defensive Coordinator as are set forth in this Agreement (or as may be assigned to the Employee from time to time). The Employee shall act with honesty at all times. The Employee recognizes that his actions are a direct reflection on the University, its athletic program and other individuals associated with the University, and he shall represent the University with honor and dignity and promote fair play and the generally recognized high standards associated with wholesome competitive sports.

2. *Rules Compliance.* The Employee shall comply fully with the constitution (or other governing documents), bylaws, rules, regulations, policies, including self-imposed sanctions, procedures, sanctions, and standards of the University, the National Collegiate Athletic Association (the "NCAA"), the Big Ten Conference (the "Big Ten") and any amendments thereto or interpretative statements thereof issued by the relevant governing authority, or of any of their respective successors (collectively, the "Governing Rules"). The Employee further shall comply fully with any and all decisions, sanctions or other disciplinary action established or issued from time to time by, and any and all interpretations of the Governing Rules by, the University, including without limitation those of the University's Athletic Department (the "Athletic Department"), the NCAA, the Big Ten or any of their respective successors. The Employee's compliance obligations include strict adherence to all of the Governing Rules relating to the

conduct and administration of the football program, including but not limited to those relating to recruiting.

In the event that the Employee becomes aware, or has reasonable cause to believe, that violations of any of the Governing Rules may have taken place at the University, he shall report the same in writing promptly to the Vice President and Director of Athletics (the "Director of Athletics"), the Faculty Athletics Representative of the University or the athletics department compliance office.

The Employee shall cooperate fully in any review or investigation of possible violations of any of the Governing Rules conducted or authorized by the University, the NCAA, the Big Ten or any successor of any of them. All additions, deletions or other changes or modifications during the Term to any of the Governing Rules (or interpretations thereof) shall automatically apply to this Agreement when such addition, deletion or other change or modification or interpretation is effective, without the necessity of a written modification of this Agreement.

B. Specific Duties and Responsibilities. As of the beginning of the Term of this Employment Agreement, the duties and responsibilities assigned to the Employee in connection with his position as Defensive Coordinator are included below. This list of specific duties and responsibilities supplements and is not exclusive of the other general duties and responsibilities provided for elsewhere in this Employment Agreement or as are determined by the Team Head Coach or the Director of Athletics.

1. *General Description and Responsibilities.* In his position as Defensive Coordinator, the Employee is responsible for the duties normally associated with that role for a Division I football program, including: prospect evaluation, recruiting, training, coaching, student-athlete academic achievement, supporting student-athlete conduct and welfare, compliance with the Governing Rules, personnel supervision and evaluation, budgetary control, scheduling assistance, promotions, public relations, development activities and the overall effective performance of the Team's student-athletes.

2. *Specific Responsibilities.* In his position as Defensive Coordinator, the Employee has these additional specific responsibilities:

a. Maintain an environment where the pursuit of higher education is a priority as reflected by class attendance, grade point averages, the NCAA academic progress rates (APR) and the NCAA and federal graduation rates;

b. Maintain a comprehensive knowledge of all of the Governing Rules and ensure strict compliance with the Governing Rules by all persons involved with the football program under the Employee's supervision and direction. Fully participate and cooperate in all compliance-related activities (and remain in contact with the compliance staff), procedures and evaluations conducted by the University;

c. Provide leadership for the effective recruiting, instruction and coaching of student-athletes emphasizing fundamentals, conditioning, game preparation and strategy;

d. Take reasonable steps to maintain a competitive Division I football program in non-conference, Big Ten and NCAA competition;

e. Participate in the marketing and promotional activities for the Team and the University's overall athletics program;

- f. Conduct recruiting evaluations, official visits and any travel-related activities of prospective student-athletes and the Team coaching staff as assigned by the Team Head Coach;
- g. Participate with media, alumni and civic groups consistent with the objectives of the athletics program (coordinate through the athletic department marketing staff);
- h. Work to integrate the student-athletes and team into the whole spectrum of academic life so as to complement the University and its mission;
- i. Work within and support the rules, regulations, guidelines and policies of the University Athletic Department;
- j. Provide positive and constructive public statements regarding the Team, athletics program, athletics staff, coaches, the University and the University staff and represent the University positively in public and private forums and in a manner that does not reflect adversely on the University;
- k. Make every effort, in recognition that academic success among student-athletes is a very high priority for the University, to cooperate with, assist, and support the efforts of the University's faculty and administrative officials as they work to assist the football student-athletes in meeting their academic requirements;
- l. With the Team Head Coach, maintain discipline of the Team (being fair and protective of the student-athletes while motivating them);
- m. Maintain a positive working environment where everyone associated with the Team works together pursuing continuous improvement;
- n. Comply with all NCAA rules and regulations.

2.02 Employee May be Disciplined for Violations of NCAA Rules or Regulations. Without limiting University's rights as otherwise set forth in this Employment Agreement, if the Employee is involved in any act or omission that may give rise to a finding that he has violated any NCAA Rules, the Employee shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures, including suspension without pay or termination of employment. For purposes of this Agreement the term "NCAA Rules" shall refer to the Governing Rules of (or issued or promulgated by) the NCAA or any successor of the NCAA.

In addition (and without limiting any other rights of the University under this Agreement), the University may take any disciplinary or corrective action for any violation of this Agreement. Without limiting the foregoing, the University may in its sole discretion take disciplinary or corrective action in lieu of termination of the employment of the Employee by the University for Cause (as hereinafter defined) in the event of the occurrence of any act or event that could be grounds for termination of employment by the University for Cause and/or pending a review or investigation of any such act or event. Disciplinary or corrective action may include, but is not limited to, suspension with or without pay, reduction of salary or other compensation otherwise payable under this Agreement or other disciplinary or corrective action which may be authorized by the NCAA enforcement procedures.

2.03 *Reporting Relationship.* The Employee shall report to the Team Head Coach or such other person as may be designated by the Director of Athletics. The Employee's job duties and responsibilities shall be reviewed, revised and assigned from time to time by the Team Head Coach; however, such duties and responsibilities shall be reasonably consistent with the job duties and responsibilities assigned to other defensive coordinators at institutions within the "Top Five Conferences" (i.e. Big Ten, Southeastern Conference, Pac-12, Big 12, and Atlantic Coast Conference).

ARTICLE III - TERM AND RENEWAL OF EMPLOYMENT

3.01 *Term of Agreement.* The University hereby employs and the Employee hereby accepts employment hereunder for the period beginning January 17, 2016 and ending on June 30, 2017 (the "Normal Expiration Date") unless such employment is earlier terminated pursuant to the terms and conditions of this Agreement. The Employee's contract may be renewed beyond the Normal Expiration Date in accordance with process for renewal described in Section 3.03 of this Agreement. The actual period of time that the Employee is employed by the University under the terms and conditions of this Agreement is referred to in this Agreement as the "Term."

3.02 *Periodic Personnel Evaluations.* The Employee's performance of his job duties and responsibilities will be evaluated by the Team Head Coach or such other person as may be designated by the Director of Athletics at the end of the Team's competitive season. This evaluation will take into account prior evaluations, if any, and the expectations and goals set for the Employee in such prior evaluations.

3.03 *Renewal.* Renewal of Employee's contract will be contingent upon the satisfactory performance of Employee's duties as defined in this Employment Agreement. The renewal of Employee's contract will be determined by the Director of Athletics in consultation with the Team Head Coach, and the decision to renew Employee's contract will be made annually by June 30. If Employee does not receive written notice of non-renewal by June 30, as provided for in Section 3.04 below, renewal of this Agreement will be automatic. Any such renewal will add a period of one year to the remaining term of employment. Any additional year(s) of employment arising out of such renewal shall be governed by the terms and conditions of this Agreement unless the terms are otherwise modified in writing by the University and the Employee pursuant to Section 7.05 of this Agreement.

3.04 *Non-Renewal.* Upon a determination that Employee's contract will not be renewed, Employee shall be notified of the decision in writing by the Team Head Coach and the Director of Athletics by June 30 of the applicable year. If Employee's contract is not renewed, Employee shall remain employed by the University until the Agreement has expired or until the Employee's employment is otherwise terminated pursuant to the terms of this Agreement. The Director of Athletics may, in his sole discretion, require the Employee to exhaust any paid time off (PTO) that Employee has accrued prior to the Employee's final date of employment.

ARTICLE IV - COMPENSATION

4.01 *Base Salary.* The base salary paid by the University to the Employee for services provided according to the terms and conditions of this Employment Agreement shall be at the rate of \$500,000 per year, payable in monthly installments and in accordance with the standard payroll practices of the University.

4.02 *Salary Increases.* In the sole discretion of the Director of Athletics, acting in consultation with the Sport Administrator and the Team Head Coach, and consistent with the University's human resources

policies, the Employee may be awarded salary increases during the Term of this Employment Agreement.

4.03 Moving Expenses. The University shall provide employee with up to \$10,000 for moving expenses associated with Employee's relocation to the Bloomington, Indiana area.

4.04 Liquidated Damages from University of South Florida. The University shall take responsibility for liquidated damages, up to the amount of \$175,000, that the Employee may owe for early termination of Employee's contract with the University of South Florida. Any payments made by the University shall be in accordance with a timeline to be agreed upon by the University, Employee, and the University of South Florida.

4.05 Benefits/Expenses/Stipends. During the term of this Employment Agreement, the University will provide the Employee with the following employee benefits, reimbursements, and stipends as described below, and no others.

A. Standard University Employee Benefits. The Employee shall be entitled to the standard University Employee benefits appropriate to the Employee's classification (as described by the University's human resource policies), including, among other things, group life insurance, paid time off, medical coverage, retirement contributions, and a tuition benefit plan. If any benefit is based in whole or in part upon salary paid to the Employee, such benefit shall be based only on Employee's base salary and shall not be based on any outside income or supplemental compensation paid in accordance with the provisions set forth in Section 4.06 and Article V hereof.

B. Expenses. The University will reimburse the Employee for travel expenses reasonably incurred by him for the purpose of and in connection with the performance of his duties under this Agreement, including but not limited to expenses incurred while recruiting and during work-related travel. Such reimbursement shall be made in accordance with the standard policies and procedures of the University upon presentation to the University of vouchers or other statements itemizing such expenses in reasonable detail. Such reimbursement shall be at the rate provided by University policies.

C. Automobile/Cell Phone Stipend. Employee will be provided a courtesy car and a cell phone stipend of \$125 per month. This payment shall be itemized on Employee's monthly paycheck.

Employee acknowledges that, as a condition of the provision of a courtesy car, a "Driver Agreement" must be executed governing the use of the vehicle.

Employee acknowledges his understanding that the provision of a courtesy car represents a taxable benefit to him and that accurately itemizing business and personal mileage on a log provided by the University may have the effect of reducing the amount of tax attributable to this element of his compensation. Employee also acknowledges that it is the practice of the Athletic Department, as a condition of the continued use of such car, to require its employees to maintain and submit annually an accurate log of business and personal mileage accumulated on a courtesy car provided by the University. Employee agrees that if he is issued a courtesy car, he will maintain and submit annually, and within the timeframe required by the Athletic Department and Tax Management Office, an accurate log of business and personal mileage accumulated on the car.

Employee acknowledges his understanding that Indiana University arranges for the payment of premiums for the insurance coverage of all courtesy vehicles issued by the Athletic Department. Employee agrees that if he is issued a courtesy car and if the car is damaged such that repairs are necessary, he will pay the deductible at the discretion of the Department.

D. *adidas Product Allowance.*

1. The Employee shall receive an annual allowance of \$1,000 for the placement of orders for adidas product.
2. Employee must utilize the allowance during the Term of this Agreement; any allowance remaining at the end of the Agreement term shall not be carried over, even if the parties sign a renewal contract.
3. Orders may be placed by the Employee directly with adidas, and the University shall notify the Employee if a particular adidas representative is to be the contact person for this purpose. The Employee understands and agrees that the University may contact adidas regarding the allowance account and may receive information from adidas about the account, including but not limited to balance information for auditing purposes.
4. Employee acknowledges and agrees that the amount of allowance used in a calendar year will be included in the employee's gross income on his Indiana University Form W-2, Wage and Tax Statement, for that calendar year.

E. *Game Tickets.* The University will provide the Employee 6 complimentary season tickets to the University's regular season home football games and 2 complimentary football season parking passes. The University will provide the Employee with up to 4 complimentary single game tickets to each of the University's regular season away football games. The University will provide the Employee with up to 6 complimentary game tickets to any Bowl football game in which the University's football team is participating. The University will provide up to 2 complimentary season tickets to the University's regular season home men's basketball games and 1 complimentary men's basketball season parking pass. Any tickets and/or parking passes issued to the Employee will be considered a taxable benefit. The Employee is prohibited from and shall not re-sell these tickets and/or parking passes.

F. *Professional Development.* The University will provide the Employee with the opportunity to participate in the American Football Coaches Association Convention.

4.06 *Opportunities to Earn Outside Income.* Subject to the provisions of Section 4.07, hereof, the Employee may have the opportunity to make additional outside income as follows:

A. *Commercial Endorsements.* The University and the Employee agree that the Employee, subject to obtaining advance written approval of the Director of Athletics or his designee, may undertake commercial endorsements of products and services in which he identifies himself as the Team's Defensive Coordinator during such time as the Employee is assigned to such position but that he may not otherwise associate the University's name or trademarks or logos with an endorsement, and provided that all such agreements must cease at the termination of this Agreement or the Employee's reassignment to a position other than Defensive Coordinator.

B. *Other Opportunities.* From time to time, other opportunities may arise for outside income that are unanticipated at this time and that may be mutually beneficial to the parties. In such event, the Employee shall confer with the Director of Athletics or his designee and, upon the Director of Athletics' or his designee's advance written approval, Employee may pursue such opportunities.

4.07 *Other Provisions Concerning Outside Income and Promotional Activities.* The following general

terms and conditions shall also apply to Employee:

A. *University Obligations Are Primary.* Any outside activities by the Employee shall not interfere with the full and complete performance by the Employee of his duties and obligations as a University employee, recognizing always that the Employee's primary obligations lie with the University and its student-athletes.

B. *NCAA Rules Control.* In no event shall the Employee accept or receive directly or indirectly any monies, benefit or any other gratuity whatsoever from any person, corporation, University booster club or alumni association or other benefactor if such action would violate NCAA legislation or the constitution, bylaws, rules and regulations or interpretations thereof of the NCAA as now or hereafter enacted. Changes of such legislation, constitution, bylaws, rules and regulations or interpretations thereof shall automatically apply to this Agreement without the necessity of a written modification.

C. *University Is Not Liable.* The Employee expressly acknowledges and agrees that any outside activities are independent of the Employee's University employment, and the University shall have no responsibility or liability for any claims arising therefrom.

D. *Advance Approval Required.* During the Term of this Agreement, Employee may generate outside income only upon receipt of prior written consent of the Director of Athletics or his designee in each instance over five hundred dollars (\$500.00). The Director of Athletics may withhold consent in his sole and absolute discretion, including without limitation a determination by the Director of Athletics that such proposed opportunity would not satisfy the requirements of Section 4.06.A., would conflict with existing or contemplated third-party relationships of the University, or would not favorably reflect on the University. Prior to entering into any agreement or arrangement, the Employee shall provide the Director of Athletics a copy of all applicable agreements or documents as may be requested. The Director of Athletics may also condition his consent on any such third party executing a license agreement regarding the use of the University's intellectual property.

Any efforts by the Employee, without the advance written authorization of the Director of Athletics, to pursue, negotiate or execute any outside coaching and/or athletic program-related agreements over five hundred dollars (\$500.00) (including, but not limited to, commercial endorsements) or arrangements as outlined above shall be deemed a breach of this Agreement by the Employee

All agreements or arrangements for outside income of any amount must comply with the requirements, if any, of the NCAA and/or the Big Ten. Any payments received by Employee from a third party for services rendered by employee to such third party shall not be considered part of Employee's base annual salary or other compensation under this Agreement. The receipt of outside income and benefits shall be consistent with the University's conflict of interest and conflict of commitment policies.

4.08 *Disclosure of Outside Income.* The Employee shall report annually in writing to the President of the University through the Director of Athletics, on or before April 15 of each year received, all athletically related income from sources outside the University during the previous twelve (12) month period, and the University shall have reasonable access to all records of the Employee necessary to verify such report.

4.09 *Solicitation of Donor Funds.* The Employee recognizes the overall positive impact to the University and the athletics program of a well-coordinated fundraising effort and agrees that any solicitations or requests for funding will be made only with prior approval from the athletic administration

and the University's institutional advancement officials (which approval will not be unreasonably withheld).

4.10 *Athletics Dining*

A. University and Employee agree that there is mutual value in Employee dining with student-athletes and departmental employees at the athletic dining facility.

B. University may arrange for Employee to be provided meals made available to student-athletes and University employees at no cost to Employee at the sole discretion of the University.

C. The Employee acknowledges and agrees that the value of meals actually received under this section will be tracked on a daily basis for each calendar year and the value of such meals will be included in the Employee's gross income on his Indiana University Form W-2, Wage and Tax Statement, for that calendar year.

ARTICLE V - SUPPLEMENTAL COMPENSATION

5.01 *Exceptional Performance Bonuses.* The Team Head Coach, at his discretion, will be permitted to award the Employee an exceptional performance bonus out of a designated Assistant Coaches' pool of funds for the following achievements:

A. If the Team plays in and/or wins the Big Ten Conference Championship Game;

B. If the Team plays in a post-season Bowl that is not one of the "New Year's Six" Bowl games played on New Year's Eve or New Year's Day.

C. If the team plays in a post-season Bowl that is one of the "New Year's Six" Bowl games played on New Year's Eve or New Year's Day other than one of the two semifinal games being played as part of the College Football Playoff ("CFP").

D. If the team plays in one of the two post-season semifinal games being played as part of the CFP.

E. If the team plays in and/or wins the post-season championship game of the CFP.

Subject to the prior written approval of the Director of Athletics (which approval will not be unreasonably withheld), any and all exceptional performance bonuses will be paid on or before February 15 of the year following the year in which such football season commenced.

ARTICLE VI - EMPLOYMENT AGREEMENT CONDITIONS

6.01 *Termination by Employee.* The parties agree that the Employee may terminate this Employment Agreement prior to its expiration upon the following terms and conditions:

A. *Written Notice by Employee.* The Employee may terminate his employment by giving the

University ten (10) working days' advance written notice of the termination of his employment with the University. In this notice, Employee shall inform the University of his employment plans following the termination of his employment with the University. The University, in its sole discretion, may waive the notice period and set the date of termination as of the date the notice of termination is given or some other date following the notice of termination.

B. University's Obligations upon Employee's Termination. Except as otherwise agreed in writing by the parties, if the Employee terminates this Agreement prior to its expiration in accordance with the provisions of Section 6.01.A, all obligations of the University to make further payments and/or to provide any other consideration hereunder shall cease as of the effective date of the termination.

6.02 Termination by University. The Employee's employment under this Agreement shall be subject to automatic termination or termination by the University, as applicable, prior to the end of term of the Agreement (as defined in Section 3.01 of the Agreement) upon the following terms and conditions:

A. Employment is Contingent on Continued Employment of the Team Head Coach. Upon the Team Head Coach's termination of employment with the University for any reason (including death or disability of the Team Head Coach), and irrespective of whether the Team Head Coach's termination is voluntary or involuntary, the Director of Athletics may, in his sole discretion, terminate this Agreement consistent with the terms and conditions set forth below.

1. Upon Employee's execution of a Severance Agreement/Release acceptable to the University, the University will pay Employee a severance payment in the amount of the balance of the payments due under this Agreement through the June 30 following the termination of the Team Head Coach. The amount due will be paid in monthly installments with appropriate withholdings and deductions. The severance payment described in this Section shall be subject to the mitigation provisions provided in Section 6.02.H of this Agreement.

2. Except as provided herein, Employee expressly acknowledges and agrees that if this Agreement is terminated pursuant to Section 6.02.A, all obligations of the University to make further payments including base salary, benefits, supplemental compensation, and outside, promotional, and marketing income, and any other payments required by this Agreement and/or to provide any other consideration hereunder shall cease as of the effective date of the termination. Notwithstanding the foregoing, however, benefits that, by their nature might accrue under these circumstances (such as COBRA) shall be available in accordance with the University's personnel policies in effect at the time.

3. If the Employee wishes to be considered for continuation of employment with the incoming Team Head Coach, the University shall make best efforts to facilitate an interview for the Employee with the incoming Team Head Coach.

4. Employee expressly acknowledges and agrees that termination under this Section of the Agreement rests in the sole and unfettered discretion of the Director of Athletics and is not subject to appeal under the University's human resources policies.

B. Automatic Termination upon Death or Disability of Employee. The Employee's employment shall terminate automatically if the Employee dies. The University may by written notice to the Employee terminate the Employee's employment by the University if the Employee becomes disabled. "Disabled," for purposes of this Agreement, shall mean physical or mental incapacity which makes the Employee unable to perform the essential functions of his duties under this Agreement with or without reasonable

accommodation, subject to applicable federal and state law.

If the Employee's employment is terminated pursuant to this Section because of the Employee's death, all obligations of the University to make further payments of any compensation, including base salary, to provide employee benefits, or to provide any other consideration hereunder shall cease as of the date of the Employee's death, except that the Employee's personal representative or other designated beneficiary shall be paid all such death benefits, if any, as may be contained in any benefit plan now in force or hereafter adopted by the University and due to the Employee thereunder.

If the Employee's employment is terminated by the University under this Section because the Employee becomes disabled, all obligations of the University to make further payments of any compensation, including base salary, to provide employee benefits, or to provide any other consideration hereunder shall cease as of the date of termination, except as otherwise required by law and with respect to any disability benefits to which the Employee is entitled under any disability program in which he is enrolled.

C. *Termination by University for Cause.* The University may terminate the Employee's employment under this Agreement prior to its expiration for "Cause." The term "Cause" shall include any of the following:

1. Any significant, knowing, or repetitive violation by the Employee of any obligations, duties or responsibilities outlined in Section 2.01 or any refusal or unwillingness to perform any such obligations, duties or responsibilities in good faith and to the best of the Employee's abilities;
2. Any conduct, including acts or omissions, of the Employee in violation of any criminal felony statute, whether prosecuted or not, or any act of moral turpitude;
3. Any significant, knowing, or repetitive conduct, including acts or omissions, of the Employee that may give rise to a finding of a violation of any of the Governing Rules, including but not limited to any conduct which may have occurred during any prior employment of the Employee at another NCAA member institution and for which the NCAA could hold the Employee responsible;
4. Any significant, knowing, or repetitive conduct, including acts or omissions, by any other staff of the Team or any other person under the Employee's supervision and direction, including student-athletes in the program, that violates the Governing Rules and which violation the Employee knew or should have known of;
5. Any conduct, including acts or omissions, of the Employee which is seriously prejudicial to the best interests of the University or the Athletics Department or which materially violates the University's stated mission or which conduct reflects materially and adversely upon the University or its athletic program;
6. Any prolonged absence from the performance of the Employee's obligations, duties and responsibilities under this Agreement without the prior consent of the Director of Athletics (which consent will not be unreasonably withheld);
7. Any failure to obtain the University's permission from the Director of Athletics to enter into an agreement for outside or promotional income as set forth in Section 4.07.D of this Agreement (which permission will not be unreasonably withheld);

8. Any fraud or dishonesty of the Employee in the performance of any of his obligations, duties or responsibilities under this Agreement;
9. Any failure by the Employee to comply with his obligations, duties and responsibilities under Section 6.04 of this Agreement or any material breach of the representations and warranties of the Employee in Section 6.05 of this Agreement;
10. Any conduct, including acts or omissions, that misleads the University or the Director of Athletics about any material matters related to the football program, including matters related to the Employee, any other staff members or any student-athletes;
11. Any failure or refusal to cooperate with the Director of Athletics or other University officials, including any compliance personnel, which is not remedied by the Employee within ten (10) days following receipt of written notice thereof provided such violation is susceptible of being remedied;
12. Fraud or dishonesty of the Employee in preparing, falsifying, submitting or altering documents or records of or to the University, the NCAA or the Big Ten, or documents or records required to be prepared or maintained by law, any of the Governing Rules, or other documents or records pertaining to any recruit or student-athlete, including without limitation expense reports, transcripts, eligibility forms or compliance reports, or permitting, encouraging or condoning such fraudulent or dishonest acts by any other person, provided that the Employee had actual knowledge of such fraudulent or dishonest acts or reasonably should have known about such fraudulent or dishonest acts;
13. Any use or consumption by the Employee of alcoholic beverages, drugs, controlled substances, steroids or other chemicals in such degree or for such appreciable period that impairs significantly or materially his ability to perform his duties hereunder or that reflects adversely upon the University or its athletic program; or failure by the Employee to fully cooperate in the enforcement and implementation of any drug testing program established by the University for student-athletes;
14. The Employee's sale, use or possession of (or the Employee's permitting, encouraging or condoning a student-athlete or other athletic staff member to sell, use or possess) any narcotics, drugs, controlled substances, steroids or other chemicals, the sale, use or possession of which by the Employee, student-athlete, or other athletic staff member is prohibited by law or by the Governing Rules;
15. Soliciting, placing or accepting by the Employee of any bet on any intercollegiate or professional athletic contest, or permitting, condoning or encouraging by the Employee 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 the furnishing by the Employee of information or data relating in any manner to football or any other sport to any individual known by the Employee 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 the Employee with any of such persons; or
16. Any other violation by the Employee of any material term or condition of this Agreement which is not specified above and which is not remedied by the Employee within ten (10) days following receipt of written notice thereof provided such violation is susceptible of being remedied.

D. *Procedures for Termination for Cause.* If at any time the University has any reason to believe that Cause may exist to terminate the employment of the Employee pursuant to Section 6.02.C of this Agreement, the University shall have the right to (1) suspend the Employee with pay upon written notice to the Employee and/or (2) conduct a review or investigation, either on its own initiative or in conjunction with the NCAA, the Big Ten or otherwise, with or without notice to the Employee. Upon request, the Employee shall cooperate with the University and/or its professional advisors in the conduct of the review or investigation to the full extent requested by the University, including but not limited to providing oral or written statement(s) under oath and providing originals or copies of any or all information, records or documents requested by the University.

If the Director of Athletics decides to terminate Employee's employment for Cause pursuant to Section 6.02.C of this Agreement, the Director of Athletics will provide written notice of termination to the Employee that specifies the reasons for such termination and the effective date of the termination. "Cause" sufficient to terminate the employment of the Employee pursuant to Section 6.02.C of this Agreement shall be determined solely by the Director of Athletics.

The Employee shall have ten (10) days after receipt of notice of termination to file a written appeal of his termination for Cause to the President of the University. The President may consider the appeal or may appoint one or more delegates to consider the appeal. The President or his delegate(s) will provide an opportunity for the Employee to be heard regarding his termination. After such opportunity, the President or his delegate(s) will notify the Employee of the final outcome in writing, and the decision of the President or his delegate(s) will be final.

The Employee acknowledges and agrees that the foregoing procedure is the exclusive University procedure that will apply in a termination for Cause situation. The Employee waives his right to use or pursue any and all other University procedures, including the grievance procedures, afforded to other employees of the University in connection with a termination of their employment by the University.

E. *University's Obligations upon Termination for Cause.* In the event that the Employee's employment is terminated for Cause in accordance with the provisions of Section 6.02.C and Section 6.02.D, all obligations of the University to make further payments of any compensation, including base salary, to provide employee benefits, or to provide any other consideration hereunder shall cease as of the date that Employee receives notice of termination for Cause from the Director of Athletics.

In no case shall the University be liable to the Employee for the loss of any collateral business opportunities or any other benefits, perquisites or income resulting from activities such as, but not limited to, camps, clinics, media appearances, radio, television, internet, marketing and promotional services, apparel or shoe contracts, equipment agreements, consulting relationships or from other sources that might produce promotional or outside income.

F. *Termination by University without Cause.* The parties agree that the University may end this Agreement prior to its expiration without cause. Termination "without cause" shall mean termination on a basis other than those set forth in Section 6.02.A, Section 6.02.B or Section 6.02.C above. Termination by the University without cause shall be effectuated when the Team Head Coach and Director of Athletics deliver to the Employee written notice of the University's intent to end this Agreement without cause, and the termination shall be effective upon the date set forth in such notice.

G. *University's Obligation upon Termination without Cause.* Upon Employee's execution of a Severance Agreement/Release acceptable to the University, the University will pay Employee a severance payment in the amount of the balance of the salary due under this Agreement. The amount due shall be

paid in monthly installments with appropriate withholdings and deductions and shall be subject to the mitigation provisions of Section 6.02.H in this Agreement.

In no case shall the University be liable to the Employee for any payments for outside, marketing, or promotional incomes as defined in Section 4.06 of the Agreement or for loss of any promotional or outside business income, collateral business opportunities or any other benefits, perquisites or income resulting from activities such as, but not limited to camps, clinics, media appearance, personal appearance, radio, television, internet, marketing and promotional services, apparel or shoe contracts, or equipment agreements, consulting relationships or from other sources that might produce promotional or outside income or any other payments provided in this Agreement. Acceptance by the Employee of this amount will constitute full settlement of any claim that the Employee might otherwise assert against the University, or any of its agents or employees. By executing this Agreement, the Employee explicitly acknowledges and agrees that he is entitled to no other damages as a result of the termination of this Agreement without cause by the University.

Amounts payable by the University to Employee shall be reduced by any taxes that the University is required by law to withhold.

H. Mitigation of University's Obligations. Employee is required to mitigate University's obligations under Section 6.02.A.1 or Section 6.02.G by making reasonable and diligent efforts (under the circumstances and opportunities then prevailing) to obtain a Comparable Employment position (as defined below) as soon as practicable following such termination. If Employee is employed elsewhere post-termination in a Comparable Employment position (as defined below), then University's obligation to pay Employee as set forth in Section 6.02.A.1 or Section 6.02.G shall be reduced dollar-for-dollar by Employee's total compensation (from all sources directly related to such a Comparable Employment position (except not including the employee benefits costs associated with such a comparable position)). University shall pay such amount (which shall not include employee benefits for the period that Employee is employed in such a comparable position) in equal monthly installments after the date of termination as provided for in Section 6.02.A.1 or Section 6.02.G.

For purposes of this Section, "Comparable Employment" shall include but not be limited to employment (1) as a head coach or assistant coach in the professional or collegiate ranks, (2) in any athletics-related media position, (3) in a professional or administrative position with an athletically related governing body, or (4) in another similar athletically related position.

6.03. Effect of Termination on Payment of Bonus or Supplemental Income. Notwithstanding any other provision in this Agreement to the contrary, in the event that Employee's employment is terminated pursuant to Sections 6.01, 6.02.A, 6.02.B, or 6.02.F of this Agreement, monies earned during the term of the Agreement pursuant to Section 5.01 of this Employment Agreement shall be paid by the University unless, prior to such payment, it is determined that Employee committed acts or omissions for which he could have been terminated for cause under Section 6.02.C of this Employment Agreement.

6.04. Discussion of Other Prospective Employment. Unless notice of termination of employment has been given to Employee, the Employee shall not engage in discussions or negotiate, directly or indirectly, concerning his prospective employment with any other institution of postsecondary education or any professional athletic team without first obtaining the written approval of the Team Head Coach and the Director of Athletics to engage in such discussions or negotiations.

6.05. Representations and Warranties of the Employee. As a material inducement to the University to execute and perform this Agreement, the Employee represents and warrants to the University that (i) he

has not violated any of the NCAA Rules prior to the date of this Agreement and (ii) he knows of no violation of any of the NCAA Rules by any staff member or student-athlete who was under his supervision, direction or control at any prior member institution of the NCAA and for which he could be held responsible or be subject to sanctions or other discipline from the NCAA.

ARTICLE VII - MISCELLANEOUS

7.01 Withholding and Taxes. Any payments made or benefits provided to the Employee by the University pursuant to this Agreement shall be subject to normal deductions and withholding for state, local and federal taxes and other amounts required by applicable law. To the extent any payments or benefits provided to the Employee by the University pursuant to this Agreement (including without limitation game tickets, moving expenses, product allowances or cell phone expenses) are deemed taxable, the Employee shall be solely responsible for any such taxes.

7.02 Requirement of University Signature and Approval. It is understood and agreed that this Agreement shall not be effective until signed by the University's Treasurer and Director of Athletics on behalf of the University.

7.03 Choice of Law/Choice of Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana, and the laws of the State of Indiana shall govern the creation, validity, performance and enforcement of this Agreement and any recovery or remedy for breach or violation of this Agreement. All disputes related to this Agreement or any violation or breach of this Agreement shall be litigated exclusively in a state court located in Monroe County, Indiana, and the Employee expressly waives any right to pursue an action in another venue and any possible challenge to personal jurisdiction or venue.

7.04 Assignment of Agreement. The Employee's rights and interests under this Agreement may not be assigned, pledged or encumbered by the Employee.

7.05 Amendments to Agreement. This Agreement may be amended at any time only by a written instrument duly approved by the University through its designated representative and accepted by the Employee. Such approval and acceptance is to be acknowledged in writing, except that the foregoing shall not apply to the renewal of this agreement, increases in compensation and/or enhancements of fringe benefits which may be accomplished at any time in accordance with the terms and conditions of Article III and Article IV hereof.

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

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

7.08 University Retains All Materials and Records. All materials or articles of information, including without limitation personnel records, recruiting records, team information, films, video, statistics or any other material or data, furnished to the Employee by the University or developed by the Employee on behalf of the University or at the University's direction or for the University's use or otherwise in connection with the Employee's employment hereunder are and shall remain the sole and confidential property of the University. The University agrees to provide the Employee reasonable access to such

materials, as approved by the Director of Athletics (which approval will not be unreasonably withheld), for personal professional development purposes (not commercial purposes) while this Agreement is in effect. The Employee shall cause any such materials in his possession or control to be delivered to the University on or prior to his final date of employment.

7.09 Return of University Property Upon Termination or Expiration. Any and all property belonging to the University must be returned on or prior to Employee's final date of employment. Items to be returned include, but are not limited to, any issued cell phone, keys, credit cards, or automobile. Employee's cell phone stipend provided under Article IV of this Agreement shall cease to be paid as of the month following the Employee's final date of employment.

7.10 Employee Will Not Incur University Indebtedness. It is mutually agreed and understood that the Employee shall not incur any indebtedness for or on behalf of the University without first securing the advance written approval of the Director of Athletics.

7.11 "Force Majeure." Neither party shall be considered in default in the performance of its obligations under this Agreement if such performance is prevented or delayed by Force Majeure. "Force Majeure" shall include but not be limited to war, hostilities, revolution, civil commotion, strike, lockout, epidemic, accident, fire, wind or flood or any law, order, proclamation, ruling, regulation or ordinance of any government or subdivision of government or any act of God.

7.12 Employee Will Not Make Investments Inconsistent with University's Objectives. During the Term, the Employee shall not be associated with (whether as an employee, consultant, investor, owner, or any other type of participant) any enterprise that is engaged in activities inconsistent with the University's objectives and philosophies (e.g., gambling, alcoholic beverages, tobacco) without first obtaining the approval of the Director of Athletics (which approval will not be unreasonably withheld). The Employee's ownership of less than one percent of the shares of a publicly-held corporation (if such investment does not involve promotional or managerial responsibility) shall not be deemed a violation of this provision.

7.13 Notices. Any notice or other communication which may or is required to be given under this Agreement shall be in writing and shall be deemed to have been given on the earlier of the date actually received or on the close of business on the fifth business day next following the day when deposited in the United States Mail, postage prepaid, registered or certified, addressed to the party at the address set forth after its name below or such other address as may be given by such party in writing to the other:

If to the Employee: Thomas Allen

If to the University: Director of Athletics
Indiana University
1001 East 17th Street
Memorial Stadium North End Zone
Bloomington, IN 47408.

7.14 Pronoun References. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms. The singular form of nouns and pronouns shall include the plural, and the plural form of nouns and pronouns shall include the singular.

7.15 Entire Agreement. This Agreement constitutes the entire agreement between the parties and replaces any and all prior written and oral agreements between these two parties with respect to the subject

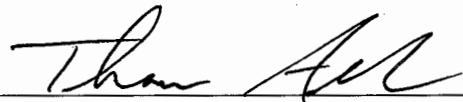
matter hereof.

7.16 *Acknowledgement.* The Employee acknowledges that he has read and understands the foregoing provisions of this Agreement and that such provisions are reasonable and enforceable and he agrees to abide by this Agreement and the terms and conditions set forth herein.

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

“UNIVERSITY”

“EMPLOYEE”



G. Frederick Glass
Vice President and
Director of Intercollegiate Athletics

Thomas Allen



SML

Donald S. Lukes
University Treasurer