

## **HEAD COACH AGREEMENT**

This Agreement is between The University of Texas at Austin ("UTAUS") and William Mack Brown ("Brown").

For and in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

### **I.**

#### **TERM**

Subject to the terms and conditions of this Agreement, UTAUS will employ Brown as head football coach for the men's intercollegiate football Program ("Program") for a term beginning September 1, 2007 and ending December 31, 2016.

### **II.**

#### **DUTIES**

As head football coach, Brown shall have the responsibility for the planning, supervision, and coordination of all aspects of the Program, including but not limited to:

1. making recommendations to the Director of Athletics ("Director") regarding the employment and salary of all assistant coaches and support staff;
2. the assignment of duties and supervision of the performance of the assistant coaches and all other personnel assigned to the Program; and
3. planning, supervising, and coordinating the recruitment and training of student athletes for the Program.

While head football coach Brown shall also perform such other reasonable duties and responsibilities as may be assigned from time-to-time by the Director.

### III.

#### **COMPENSATION**

##### A. **Annual Salary, Annual Salary Supplement, and Annual Personal Expense Allowances**

The Annual Salary for duties performed by Brown under this Agreement shall be \$770,000. In addition to the Annual Salary, Brown shall receive an Annual Salary Supplement of \$60,000, and an Annual Personal Expense Allowance of \$60,000. The funds for the Annual Salary Supplement and Annual Personal Expense Allowance shall be paid from an endowment established for the benefit of the UTAUS Department of Athletics for Men and from restricted gift funds managed by the Men's Athletics Department. The Annual Salary will be increased at least \$100,000 annually.

##### B. **Summer Camps**

UTAUS will sponsor summer football camps for youths from eight to seventeen years of age. For the period that Brown is the head football coach, Brown will be required to perform such services in connection with such camps as may be determined by Brown and by the Director and will be paid \$80,000 annually for such service. Brown shall not be entitled to conduct or direct summer camps that are not sponsored by UTAUS.

##### C. **Automobile**

For the period that Brown is head football coach UTAUS will use its best efforts to provide two courtesy automobiles from a local dealership for the use of Brown. Beginning on the date of execution of this Agreement and subsequently once each year hereafter on September 1, Brown may elect to receive a car allowance for one car at the rate of \$600 per month (\$7,200 per year). The business and personal use of the courtesy automobile will be reported weekly to the office of the Vice President and Chief Financial Officer in a format determined by that office. The personal use of such

automobile will be valued according to guidelines of the Internal Revenue Service and reported as income to Brown.

**D. Coach's Shows**

UTAUS will produce or arrange for the production and broadcast of a weekly radio and television show during the football season featuring the Program. For the period that Brown is the head football coach, Brown will be required to appear on such show(s) and assist in the production thereof. Brown will be paid \$875,000 annually for services related to the show(s).

**E. Athletic Products and Endorsement**

1. UTAUS may enter into Agreements with various manufacturers and distributors to provide athletic equipment, supplies, and accessories ("Products") for UTAUS's intercollegiate athletics department. For the period that Brown is head football coach, and when required by such Agreements, Brown will participate in promotional activities and endorse those Products that are provided for use in the Program. Brown, the assistant coaches, athletes, and other personnel in the Program will be required to use the Products in practice, games, and at public appearances when reasonable and appropriate.
2. Brown shall be prohibited from using or permitting or licensing others to use his name or endorsement in connection with the promotion, advertisement, or sale of any product or service, except as authorized under Sections III, E, 3. and III, E, 4.
3. The exclusive rights to seek, negotiate and obtain agreements, including barter agreements, for Brown's endorsement of businesses, services, and products, are consigned exclusively to UTAUS's multi-media rights holder. Endorsements include, without limitation, radio and television commercials, personal appearances, and print advertisements in

connection with the promotion of such businesses, services and products. All such agreements must have the prior written approval of Brown and the Director. The content of any statement to be made by or attributed to a coach, the content of any audio or video commercial, and the design, format, and content for any print advertisement, must have prior written approval of Brown and UTAUS.

4. When requested to do so by the Director, Brown will participate in promotional and endorsement activities on behalf of the multi-media rights holder. Brown's participation in these activities shall be limited to a period not to exceed three (3) days annually.
5. For services provided under this Subsection E, ATHLETIC PRODUCTS AND ENDORSEMENT, Brown shall be paid \$655,000 annually.

**F. Performance Incentive**

When coaching efforts of Brown result in the football team being recognized in any of the following ways, Brown will be paid a Performance Incentive in the amount indicated for each such occurrence.

1. Represents Division in Big 12 Championship Game	-	\$ 50,000
2. Wins Big 12 Championship	-	\$100,000
3. Participates in a BCS Bowl	-	\$100,000
4. Participates in a Non-BCS Bowl	-	\$ 50,000
5. End of Year Ranking: ( <u>AP or USA Today</u> )		
1st or Tied for 1st)	-	\$450,000
2nd or 3rd or Tied for 3rd	-	\$100,000
4th or 5th or Tied for 5th	-	\$ 50,000
6th to 10th or Tied for 10th	-	\$ 25,000

6. Football Team attains a Graduation Rate of:

(as defined by NCAA rules)

50% Graduation Rate	-	\$ 20,000
55% Graduation Rate	-	\$ 30,000
60% Graduation Rate	-	\$ 40,000
65% Graduation Rate	-	\$ 60,000
70% Graduation Rate	-	\$100,000
75% Graduation Rate	-	\$150,000

G. Payments

The Annual Salary, Annual Salary Supplement, Annual Expense Allowance, Summer Camps, Coaches Shows, and Endorsements shall be paid monthly (1/12 of the total of these elements of compensation paid monthly).

Performance Incentives, other than the Graduation Rate payment, will be made in February following the football season.

The Performance Incentive for the Graduation Rate will be made thirty (30) days after the NCAA report is received.

IV.

**SPECIAL ONE TIME PAYMENT**

Within 30 days of his execution of this agreement, Brown will receive a Special One Time Payment of \$100,000.

V.

**SPECIAL ANNUAL PAYMENT**

On or before December 31<sup>st</sup> of each year of this agreement, and provided that Brown is the head football coach at the time, UTAUS will deposit \$300,000 into a special account wherein Brown or his estate are the sole beneficiary.

**VI.**

**SERVICE PAYMENTS**

If Brown continues his services as Head Football Coach until January 15, 2009 he will receive a special payment of \$1,000,000. Said payment will be paid by February 1, 2009. If Brown continues his services as Head Football Coach until January 15, 2010 he will receive a special payment of \$2,000,000. Said payment will be paid by February 1, 2010.

**VII.**

**REASSIGNMENT**

If Brown voluntarily relinquishes his duties as Head Football Coach during the term of this agreement, he will be reassigned to another significant position within the University with compensation to be determined consistent with State law.

**VIII.**

**DEDUCTIONS FROM COMPENSATION**

Payments to Brown by UTAUS pursuant to the terms of this Agreement shall be subject to all deductions required by state and federal law or regulation. UTAUS will make such other deductions permitted by law and authorized by Brown in writing.

**IX.**

**TERMINATION**

The performance of Brown as head football coach will be subject to periodic review by the Director and, at the discretion of the Director, Brown may be terminated as head football coach. If terminated, Brown will be compensated according to the following terms:

<u>Date of Termination</u>	<u>Total Compensation</u>	<u>Number of Annual Payments</u>
9/1/07 - 12/31/08	\$3,500,000	5 (x \$700,000)
1/1/09 - 12/31/10	\$2,750,000	4 (x \$687,500)
1/1/11 - 12/31/12	\$2,225,000	3 (x \$741,667)
1/1/13 - 12/31/13	\$2,000,000	3 (x \$666,667)
1/1/14 - 12/31/14	\$1,500,000	2 (x \$750,000)
1/1/15 - 12/31/15	\$1,000,000	2 (x \$500,000)

Compensation provided under this section will be made in equal annual payments. The first of which shall be made within ninety (90) days of termination, with subsequent annual payments being made on or before the respective date established by the initial payment.

In the event Brown is terminated under the provisions of Section XII - STANDARD OF CONDUCT, or accepts employment in any capacity with an employer other than UTAUS (except as permitted under Section VIII), or if Brown resigns, dies, or becomes permanently disabled to the extent that, in the judgment of the Director, Brown cannot satisfactorily perform the duties of head football coach, this Agreement shall terminate and all obligations of UTAUS to compensate Brown pursuant to this Agreement shall cease as of the date of such termination of employment, resignation, death, or disability. UTAUS shall be obligated to compensate Brown or Brown's estate in accordance with this Agreement for services performed prior to such date and, in the event of disability or death, Brown or Brown's estate shall be entitled to those benefits, if any, that are payable under any UTAUS sponsored group employee insurance or benefit plan in which Brown is enrolled, including the special payment provided for in Section V. - SPECIAL ANNUAL PAYMENT.

**X.**

**OTHER EMPLOYMENT**

Except as required by Section III, E. - ATHLETIC PRODUCTS AND ENDORSEMENT, during the term of this Agreement Brown shall not engage in any other employment, act in a consulting capacity to any person, partnership, association, or corporation, or receive any athletically related income or benefit from sources outside the institution, except for speeches or personal appearances that do not involve endorsements and as may be permitted by the Constitution and Bylaws of the National Collegiate Athletic Association, the Rules and Regulations of the Board of Regents of The University of Texas System and with the prior written approval of the President of UTAUS. Approval shall be required annually. Each request for approval must be in writing and shall specify the source and amount of the income or benefit to be received. Brown shall make a written annual report through the Director to the President of UTAUS specifying the amount of all income and benefits from approved sources outside the institution.

**XI.**

**MERGER AND AMENDMENT**

The provisions of this Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and no prior or contemporaneous agreement, either written or oral, shall have the effect of varying the terms hereof. No amendment to this Agreement shall be effective unless reduced to writing and signed by the parties.

**XII.**

**STANDARD OF CONDUCT**

The employment and performance of Brown is subject to the Policies and the Rules and Regulations of the Board of Regents of The University of Texas System, the


institutional rules of UTAUS, the Constitution and Bylaws of the National Collegiate Athletic Association, and the Constitution and Rules of the Big 12 Conference. The violation of the provisions of such constitutions, bylaws, policies, rules, or regulations by Brown, when proven pursuant to the established procedures of the NCAA, the Big 12 Conference, or UTAUS, shall be sufficient cause for such disciplinary action as may be appropriate under the applicable constitutions, bylaws, policies, rules, or regulations.

**XIII.**

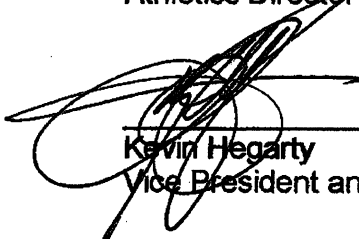
**GOVERNING LAW**

The validity, interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Texas.

**THE UNIVERSITY OF TEXAS AT AUSTIN**

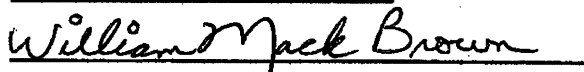
  
DeLoss Dodds  
Athletics Director

Date 9/6/07

  
Kevin Hegarty  
Vice President and Chief Financial Officer

Date 9/6/07

**HEAD FOOTBALL COACH**

  
William Mack Brown

Date 9/6/07