

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is effective as of April 1, 2012, by and between Kansas Athletics, Inc. (Athletics), and Bill Self (Head Coach) and supersedes the prior Employment Agreement between the parties effective as of April 1, 2008.

WHEREAS, Athletics operates the intercollegiate athletics programs of the University of Kansas (KU), subject to the direction and control of the Chancellor of the University of Kansas; and

WHEREAS, Head Coach wishes to serve, and Athletics desires that Head Coach should serve, as the head coach for the KU intercollegiate men's basketball program; and

NOW, THEREFORE, in consideration of the mutual representations, agreements, and promises herein contained, the parties hereto agree as follows:

1. Employment

Athletics hereby employs Head Coach to perform such duties and services on behalf of Athletics as may, from time to time, be required of him as head men's basketball coach.

2. Performance

Head Coach agrees to serve as head men's basketball coach for the term of this Agreement and to devote his full time and attention and give his best efforts and skill exclusively to the duties required of him as the KU head men's basketball coach. During the term of this Agreement, Head Coach shall report to and be under the immediate supervision of KU's Director of Intercollegiate Athletics (the "Director") or his designee and shall regularly confer with the Director or his designee on matters concerning administrative and technical decisions. Head Coach shall not directly report to more than one person at any given time, and Athletics hereby agrees that in the event Head Coach does not report the Director, the designee shall be either the Assistant or Associate Director of Athletics. Athletics shall notify Head Coach in writing in the event that he is to report to a designee of the Director. Without limiting the generality of this Section 2, Head Coach's duties and responsibilities as the head men's basketball coach shall include, but not be limited to, the following:

- A. Coaching, administering, and recruiting in the men's basketball team in a manner as to allow it to effectively compete in the Big 12 Conference or any successor conference (both referred to herein as the "Big 12") and NCAA play;
- B. Responsibility for directing and monitoring compliance of the men's basketball program with all applicable governing policies, constitutions, bylaws, rules, and regulations of Athletics, KU, the Big 12 Conference, and the NCAA; and

- C. The competent and diligent performance of all required tasks and activities, and adherence to and compliance with all standards, sanctions, rules, and regulations established by applicable federal and state laws and agencies, including the Buckley Amendment, the Handbook for Faculty and Other Unclassified Staff of KU and Athletics' Policies and Procedures Manual, as such laws, standards, rules, regulations and policies may be amended from time to time. Head Coach hereby acknowledges that a complete copy of both KU's Handbook for Faculty and Other Unclassified Staff and a complete copy of Athletics' Policies and Procedures Manual are available at <http://www.kuathletics.com/internal/kan-manual.html> and <https://documents.ku.edu/policies/provost/FacultyandUnclassifiedStaff.Handbook.pdf>. In case of a conflict between KU's Handbook for Faculty and Other Unclassified Staff and Athletics' Policies and Procedures Manual, the terms of Athletics' Manual shall control. Head Coach acknowledges and agrees that he has received information regarding access to Athletics' Policies and Procedures Manual and he shall be governed by its terms; and
- D. The competent and diligent performance of all reasonable duties as may be required by the Director or his designee in connection with the supervision and administration of the KU men's basketball program; and.
- E. Head Coach may recommend the hiring, continued employment, job titles, dismissal, and compensation of employees involved in the men's basketball program at KU, but all such decisions shall be subject to the approval of the Director of Athletics, which shall not be unreasonably withheld. All such recommendations are subject to standard Athletics pre-employment inquiries, including NCAA and criminal background checks.

3. Salary

- A. For all services to be performed by Head Coach in his capacity as head men's basketball coach, Athletics shall pay Head Coach a salary of \$230,000 per annum, payable in twelve (12) equal monthly installments on the last day of each month during the term hereof. Head Coach's salary may be increased from time to time upon review by Athletics and any such adjustment shall be effective upon the next payment date.
- B. In the event that Head Coach's employment is terminated pursuant to Sections 13 or 15 of this Agreement, Head Coach shall be entitled to payment under this Section up to the date of Termination only.

4. Incentive Payments

- A. Goals. The following incentive payments shall be paid to Self in the event the men's basketball team achieves any of the goals corresponding to the amounts indicated:

Team Reaches Final Four of NCAA Tournament	\$150,000.00
Team Wins NCAA Championship	\$200,000.00
AP Coach of the Year	\$100,000.00
Big 12 Regular Season Championship	\$ 50,000.00
Big 12 Tournament Championship	\$ 25,000.00

It is the intent of the parties that the amounts listed above shall be paid out in the following manner: should Head Coach reach the Final Four of the NCAA tournament and be named AP Coach of the Year he shall receive \$250,000 (\$100,000 + \$150,000). Should his team win the NCAA Championship and he be named AP Coach of the Year he shall receive \$450,000. Should his team reach the Final Four and win an NCAA Championship Head Coach shall be paid \$350,000.

B. **Signing Bonus.** In consideration of his entering into this Agreement, Head Coach shall be entitled to a contingent signing bonus that will be payable to Head Coach upon termination of his employment prior to expiration of this Agreement for any reason other than Head Coach’s termination of this Agreement or termination by virtue of Head Coach’s death or disability as set forth in Section 14 herein. The amount of the bonus will be \$4,732,000 if the bonus becomes payable prior to April 1, 2018 and shall be \$5,356,000 if the bonus becomes payable between April 1, 2018 and March 31, 2022. In the event of Head Coach’s termination of this Agreement prior to expiration of this Agreement, termination of Head Coach’s employment due to death or disability as set forth in Section 14, or in the event Head Coach’s employment does not terminate prior to expiration of the Agreement, Head Coach shall forfeit any and all right to the bonus. The bonus described in this paragraph shall, if otherwise payable, be paid to Head Coach as soon as practicable after termination of his employment, but no later than two and one-half (2 ½) months after the end of the calendar year in which his employment is terminated. It is the parties’ intent that Head Coach’s right to the bonus shall, for tax purposes, be treated as subject to a “substantial risk of forfeiture” until and unless his employment is terminated prior to the expiration of the term of this Agreement (other than by reason of the Head Coach’s termination of the Agreement).

5. NCAA Violations

A. Head Coach agrees to promote an atmosphere for compliance and to monitor the compliance of all other persons under his supervision, including coaches and student-athletes, with the rules and regulations of the National Collegiate Athletic Association (NCAA), the Big 12 Conference., and such rules, and regulations concerning intercollegiate athletics, athletics personnel, and student athletes as may from time to time be promulgated by KU and Athletics

- B. If KU, Athletics, the Big 12 Conference, or the NCAA determine that Head Coach has violated NCAA regulations, in addition to any remedies provided by this agreement or at law, Head Coach agrees that he shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures, as now existing or as amended from time to time.
- C. Head Coach further agrees that if he is found by KU, Athletics, the Big 12 Conference, or the NCAA to be involved in significant or repetitive violations of NCAA regulations, as defined therein, he may be suspended without pay and/or terminated for cause following the procedures set forth on the attached Exhibit "A". Additionally, if Head Coach knew or should have known of significant or repetitive violations of NCAA regulations, he agrees that he may be suspended without pay and/or terminated for cause following the procedures set forth on the attached Exhibit A.
- D. If Head Coach is fined by the Big 12 or NCAA for any violation by Head Coach of the sportsmanship policy, such penalty shall be the sole responsibility of the Head Coach.

6. Athletically Related Income

- A. Head Coach agrees that he shall provide to the Chancellor of the University of Kansas by September 1 of each year a detailed accounting in writing of all athletically related income and benefits from sources outside the institution.
- B. Head Coach shall disclose and obtain prior written permission from the Director and the Chancellor prior to agreeing to make any commercial endorsements, including any in which he identifies himself as the head basketball coach at KU. Any such proposed endorsements shall be subject to, and in compliance with, the Athletics Policies and Procedures Manual.

7. Term

This agreement shall be for a term beginning April 1, 2012 through March 31, 2022, unless earlier terminated as set forth herein.

8. Professional Services

- A. Athletics shall pay to BCLT II, LLC for professional services rendered by Head Coach an income of not less than \$2,750,000 per annum, said payments beginning April 1, 2012 through March 31, 2022. Duties under this section may include educational, public relations, and promotional duties as assigned by the Director.

- B. The payments to BCLT II, LLC as described in this Section 8 are contingent upon Head Coach's participation and cooperation performing said duties as described in Section 8A above and duties described in the separate Professional Services Agreement signed and effective as of April 1, 2012.

9 Apparel and Media Rights Contracts

- A. Head Coach acknowledges that any apparel provided to or purchased by KU or Athletics by a manufacturer is subject to NCAA rules and regulations and Athletics' property inventory procedures. All equipment must be sent directly to Athletics' Athletic Equipment Manager and shall be owned by Athletics. Any personal equipment or apparel that is provided to or purchased by Head Coach from an apparel dealer must be delivered to his home address, and cannot be received by KU or Athletics.
- B. All designs for merchandise incorporating any KU marks and/or logos (including verbiage), which may be sold or given away at any activities (camps, clinics, any athletic contests, etc.) involving any KU or Athletics employees, must be approved by the Associate Athletic Director for External Affairs prior to production. All merchandising incorporating any KU marks and/or logos (including verbiage), which shall be sold or given away at any activities (camps, clinics, any athletic contests, etc.) involving any KU or Athletics employees, is subject to normal licensing approval and applicable royalty fees. All such merchandise must be purchased from University-approved, licensed manufacturers. A list of all University-approved, licensed manufacturers (including addresses and phone numbers) shall be available from the Associate Director for External Affairs and must be reviewed by Head Coach. Copies of all invoices for all merchandise incorporating any KU marks and/or logos (including verbiage) ordered for resale/give-away at any activities (camps, clinics, any athletic contests, etc.) involving KU or Athletics employees, must be forwarded to the Associate Director for External Affairs for review and approval.
- C. Head Coach acknowledges that Athletics and KU have agreements with apparel and/or footwear manufacturers and distributors, as well as beverage agreements to provide footwear, apparel, and other Products to Athletics for use by the men's basketball team and staff, Head Coach agrees he shall not negotiate a separate contract with any footwear, apparel, or beverage manufacturer while serving as head men's basketball coach, and that he shall comply with all terms of Athletics agreements with such apparel, footwear, or beverage agreements that currently exist or that the University or Athletics may negotiate in the future. Athletics shall furnish the details of such agreements to Head Coach.
- D. Head Coach further acknowledges that Athletics possesses the sole and exclusive ownership rights to all media rights in KU men's basketball, including but not

limited to the following: radio, television, internet or any other medium whatsoever whether now existing or developed in the future. As such, Athletics shall have the sole and exclusive rights to produce and market all radio, television, and internet shows in relation to the men's basketball program at Kansas Athletics. Athletics 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 unless otherwise agreed. Head Coach agrees that Athletics may use his name, picture, likeness, and voice in connection with such programs or endorsements and in all other respects for purposes consistent with this section and elsewhere in this Agreement unless otherwise agreed.

10. Other Miscellaneous Benefits

So long as Head Coach continues as the head coach of the KU intercollegiate men's basketball program, Athletics agrees to provide, or pay, as the case may be, the following additional benefits:

- A. For the duration of his employment as head men's basketball coach, Head Coach shall receive the use of two automobiles, the models of which are the highest line of the manufacturer or are mutually agreed upon, at no cost to Head Coach, subject to the procedures outlined in the Kansas Athletics Policies and Procedures Manual.
- B. So long as Head Coach remains insurable, and employed by Athletics, Athletics shall purchase and maintain a term life insurance policy for Head Coach in the amount of two million dollars. Head Coach shall be the owner of the policy and may designate the beneficiaries.
- C. Athletics shall pay the reasonable travel expenses incurred by Head Coach's spouse and children in attending KU men's basketball games held outside the city of Lawrence, Kansas.
- D. Head Coach shall be entitled to operate a summer basketball camp, other camps, and basketball clinics in accordance with the policies of KU and Athletics concerning the operation of such camps and clinics. Athletics and Head Coach hereby agree that said summer basketball camp shall have priority use of Athletics' facilities during the second and third weeks of June during each year of this Agreement. Head Coach hereby acknowledges and agrees that Athletics shall receive 2% of the net revenues derived from said camps and clinics.
- E. Athletics shall pay all reasonable travel and entertainment expenses not reimbursed by another source whenever Head Coach represents the University or its athletics or basketball programs. Such representations are understood to include recruiting, appearances at camps or

clinics, speaking engagements, and other occasions at which Head Coach represents the University and its athletics program.

- F. Head Coach shall be entitled to enroll in the Athletics long-term disability plan, underwritten by the Teachers Insurance and Annuity Association (TIAA).
- G. Athletics shall provide 10 tickets to each home men's basketball game and 6 tickets to each away men's basketball game at no cost to Head Coach for allocation at his discretion. Post-season ticket allocations to Head Coach for personal use shall be agreed upon for each post-season opportunity, but in no event shall less than 10 tickets be available. Athletics agrees that it shall allot at least 100 tickets to the Men's basketball program for each home game in the following categories: high school recruits, high school coaches, former players, coaches, or managers, and business and community relations. These tickets shall be provided to the men's basketball program and shall not be for the personal use of Head Coach or the assistant coaches; as tickets for business-related purposes, they shall not be taxable to Head Coach.
- H. Head Coach shall have the use of an Athletics designated Scholarship Suite in the Memorial Stadium.
- I. Head Coach shall be provided a membership at both Alvamar Country Club and the Lawrence Country Club. Athletics agrees to pay all green fees and expenses, including dues, that are business-related.
- J. Head Coach shall receive 100 percent of Athletics' royalty payments from the sale of in store retail merchandise sold by KUStore.com during the month of June, including the two Sunday basketball camp registrations days in June, and including dorm sales held during the two weeks of summer basketball camp in June, and shall also receive 100 percent of the royalty payment from the total of in-store sales during the one day Holiday Clinic held over the Christmas break or as otherwise determined by the parties. Royalty payments are not calculated on sales of excluded merchandise (sales to employees, team or autograph balls, consigned items, or items sold at a discount of 25 percent or more).

11. Taxability of Benefits

Head Coach acknowledges and agrees that some benefits described in Section 10 above may constitute taxable income, and Head Coach agrees he will be responsible for payment of all appropriate taxes on such income. Head Coach also understands and agrees that Athletics will withhold taxes based on the value of those benefits Athletics and KU provide to Head Coach, as described, but not limited to, the items in Section 10 above.

12. Termination Without Cause

Athletics may terminate this Agreement upon written notice to Head Coach. In the event that Head Coach's employment is terminated without cause, Athletics shall pay Head Coach as liquidated damages the amounts payable to Head Coach under Section 3 (Salary) and Section 8 (Professional Services) for a two year period, such period of time to begin upon the effective date of the termination, as well as all payments, if any, as provided for under the terms of Section 4 of the Retention Agreements dated April 1, 2008, as amended, and April 1, 2012, as well as all payments that are provided for under Section 4 (Incentive Payments) herein. The parties agree that such liquidated damages under this section are in lieu of all other compensation and benefits owed to Head Coach under this contract; and further constitute reasonable compensation for losses which Head Coach will incur and are not a penalty. Payments to Head Coach for amounts due under Section 4 (Incentive Payments) of this Agreement and Section 4 of the Retention Agreements dated April 1, 2008, as amended, and April 1, 2012, shall be made in accordance with the time schedule prescribed in those Sections. For any termination under this Section 12 prior to April 1, 2018, payments of liquidated damages to Head Coach under Sections 3 (Salary) and 8 (Professional Services) of this Agreement shall be due and payable within sixty (60) days following Head Coach's termination. For any termination under this Section 12 beginning April 1, 2018, liquidated damages shall be paid to Head Coach in twelve equal 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 for the twelve month period.

13. Termination for Cause

- A. Athletics may, for cause, terminate Head Coach's employment at any time upon written notice to Head Coach.
- B. If such termination is for cause, Athletics shall be obligated to pay Head Coach all amounts owing up to the date of termination only including all amounts which have accrued but not yet vested under the Retention Agreement dated April 1, 2008 as amended, and all amounts which have vested under the Retention Agreement dated April 1, 2012 and all amounts that are due pursuant to Section 4 herein. Head Coach shall not be entitled to receive any benefits or payments that become due after the date of termination. Health insurance and life insurance, however, shall continue in full force and effect at Athletics' expense for ninety (90) days after the date of termination. Additionally, Head Coach shall be eligible to purchase continued health insurance pursuant to COBRA for the period of time specified by COBRA at the time of termination. Athletics shall not be liable to Head Coach for the loss of any amounts, collateral business opportunities, or any other benefits, perquisites or income resulting from activities such as, but not limited to, camps, clinics, media appearances, television or radio shows, or from any other sources as a result of Athletics termination for cause of Head Coach's employment under this Agreement.
- C. For purposes of this agreement, "cause" shall mean:

- i. the refusal or failure (other than the failure resulting from his incapacity due to physical or mental illness) of Head Coach to perform the duties set forth in Sections 2 A or B above; or
 - ii. discreditable conduct that is inconsistent with the professional standards expected of a head coach of a collegiate sports team and that is seriously prejudicial to the best interests of the University or Athletics or that violates the University's mission; or
 - iii. serious criminal conduct, fraud, misappropriation, or embezzlement; or
 - iv. major violations of NCAA rules and regulations, as defined therein.
 - v. statements concerning KU, its personnel, programs, policies and/or departments that cause damage to KU's reputation.
- D. Prior to any termination for cause, Athletics shall follow the procedure as set forth in Exhibit "A" attached hereto.
- E. Nothing in this Section 13 shall be considered to limit the right of Athletics, in its sole discretion, and consistent with NCAA rules and regulations, to exercise any disciplinary sanction short of termination for cause.

14 Termination for Death or Disability

In the event of either Head Coach's death or disability during the term hereof, this Agreement shall be terminated under the following conditions:

- A. Head Coach's death shall immediately terminate this Agreement and Head Coach's legal representative shall be entitled to receive Head Coach's salary pursuant to Section 3 (Salary) and Section 8 (Professional Services), on the dates payments would have otherwise been made to Head Coach for a period of six (6) months from the date of his death and all amounts which are due and payable pursuant to Section 5 of the Retention Agreement dated April 1, 2008 as amended and all amounts which are due and payable under the Retention Agreement dated April 1, 2012 shall immediately vest and be payable. All other benefits and payments pursuant to the provisions of this contract shall terminate upon his death.
- B. Except as provided in Section 14 (C), below, if head Coach's mental or physical incapacity precludes him from performing his duties herein and such condition shall continue for a period of more than 120 days, KU or Athletics shall have the right, upon fifteen (15) days written notice to Head Coach or his legal representative, to terminate Head Coach's employment,

and Athletics shall be obligated to pay Head Coach compensation under Section 3 (Salary) and Section 8 (Professional Services), as well as any incentive earned and due and owing prior to his incapacity under Section 4(A) of this Agreement, less any amounts due to Head Coach as the result of his participation in Athletics' long-term disability plan referred to in Section 10(F) of this Agreement, on the dates payments would have been otherwise made, for a period of twelve (12) months commencing with the date of his incapacity. In addition, all amounts which have accrued under Section 5 of the Retention Agreement dated April 1, 2008 as amended and all amounts which have accrued under the Retention Agreement dated April 1, 2012 shall immediately vest and be payable.

- C. In the event Athletics or Head Coach are unable to obtain disability insurance on Head Coach, then if Head Coach's mental or physical incapacity precludes him from performing his duties herein and such condition shall continue for a period of more than 120 days, KU or Athletics shall have the right, upon fifteen (15) days written notice to Head Coach or his legal representative, to terminate Head Coach's employment, and Athletics shall be obligated to pay Head Coach compensation under Section 3 (Salary) and Section 8 (Professional Services) of this Agreement, on the dates payments would have been otherwise made, for a period of eight (8) months commencing with the date of his incapacity. In addition, all amounts which have accrued under Section 5 of the Retention Agreement dated April 1, 2008 as amended and all amounts which have accrued under the Retention Agreement dated April 1, 2012 shall immediately vest and be payable.

15. Termination by Head Coach

- A. In the event Head Coach should terminate this Agreement, for whatever reason, Athletics shall be obligated in that event to pay Head Coach all amounts owed to Head Coach under this Agreement up to the date of termination only, including all amounts which have vested under the Retention Agreement dated April 1, 2008 as amended and all amounts which have vested under the Retention Agreement dated April 1, 2012. Head Coach shall not be entitled to receive any other benefits or payments that become due after the date of termination except as expressly provided elsewhere in this Agreement.
- B. Termination by Head Coach may be initiated by providing the Athletic Director written notice of termination or resignation or by making a public announcement of acceptance of a position with another organization.

16. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas, Kansas law on conflict of law notwithstanding.

17. Consent to Jurisdiction and Venue

Any action brought under this agreement shall be brought only in the District Court of Douglas County, Kansas, or the United States District Court for the District of Kansas in Topeka, Kansas or Kansas City, Kansas and each party waives the right to seek a change of venue to any courts other than those courts.

18. Severability

If any provision of this Agreement shall be determined to be void, invalid, unenforceable, or, illegal for any reason, this Agreement shall be ineffective only to the extent of such prohibition and the validity and enforceability of all remaining provisions shall not be affected thereby.

19. Amendments, Modifications, and Extensions

In order to be enforceable, any amendments, modifications, or extensions to this Agreement must be in writing and signed by all parties hereto.

20. Effective Date

This Agreement and its terms and provisions shall be effective as of April 1, 2012.

21. Waiver

Waiver by any party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach hereof.

22. Notice

Any notice or other communication hereunder will be in writing, sent via registered or certified mail, overnight courier, or confirmed facsimile transmission and will be deemed provided, if, (a) mailed, when deposited, postage prepaid, in the United States mail, (b) sent by overnight courier, one business day after delivery to such courier, and (c) sent by confirmed facsimile. Any notice or other communication will be addressed as set forth below, or to such other address as any party will advise the others in writing:

If to the University:

Office of the Chancellor
1450 Jayhawk Boulevard
Room 230
The University of Kansas
Lawrence, Kansas 66045
Facsimile: (785) 864-4120

with a copy to:

Office of the General Counsel
1450 Jayhawk Boulevard
Room 245
The University of Kansas
Lawrence, Kansas 66045
Facsimile (785) 864-4617

If to Athletics:

Director of Athletics
Kansas Athletics, Inc.
1651 Naismith Drive
Lawrence, Kansas 66045
Facsimile: (785) 864-5035

with a copy to:

Corporate Counsel
Kansas Athletics, Inc.
1651 Naismith Drive
Lawrence, Kansas 66045
Facsimile (785) 864-1136

If to Head Coach:

Mr. Bill Self
1651 Naismith Drive
Lawrence, Kansas 66045

with a copy to:

Stuart D. Campbell
Doerner, Saunders, Daniel & Anderson
Two West Second Street, Suite 700
Tulsa, OK 74103

23. Entire Agreement

This Agreement (and any documents referred to in it) contains the whole agreement between the Parties relating to the transactions contemplated by this Agreement and supersedes all previous discussions, negotiations, understandings and agreements between the Parties relating to these transactions. Each Party acknowledges that, in agreeing to enter into this Agreement, it has not relied on any representation, warranty, collateral contract or other

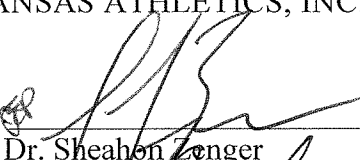
assurance (except those set out in this Agreement and any documents referred to in it) made by or on behalf of any other Party or any other person whatsoever before the execution of this Agreement.

24 Approval by University and Athletics

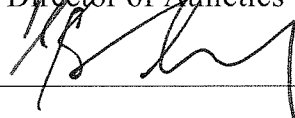
This Agreement shall not be binding upon Athletics until it is signed by the Director of Athletics and approved by the Chancellor of the University of Kansas.

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


KANSAS ATHLETICS, INC.

By 

Dr. Sheahon Zenger
Title: Director of Athletics



Bill Self
Title: Head Men's Basketball Coach

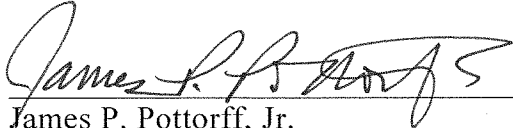


Stuart D. Campbell
Title: Attorney for Bill Self

Approved by:



Bernadette Gray-Little
Title: Chancellor, The University of Kansas



James P. Pottorff, Jr.
Title: University General Counsel

ATTACHMENT A: BILL SELF EMPLOYMENT AGREEMENT

I. Procedures for Suspension and Termination

- (a) Employment may be suspended for a period of time, without pay, or terminated, with immediate cessation of salary payments and fringe benefits, for cause. Cause for suspension or termination shall be those causes specified in section 13C of this contract, including, but not limited to, a significant or repetitive violation by Self, or a significant or repetitive violation by an employee under Self's supervision of which Self was aware or which was of such a character or extent that Self should have been aware, of any of the rules, regulations or policies of the Big 12 Conference or the National Collegiate Athletic Association, as modified from time to time. A "significant or repetitive violation" under this Section shall be defined in accordance with the principles stated in Section 11.2.1 of the 2011-2012 NCAA manual, or the then-existing successor section and NCAA manual.
- (b) Prior to suspension or termination, Self (i) shall be provided with written notice of contemplated suspension or termination and a statement of the reasons and facts in support thereof and (ii) shall have five calendar days from receipt of such notice to deliver a written request for a hearing on the contemplated action. Written requests shall be delivered to the Office of the Chancellor. If no written request is received by the Chancellor as provided herein, a contemplated suspension or termination shall become final five calendar days following Self's receipt of such notice.
- (c) Upon receipt of a written request for a hearing, the Chancellor shall appoint a three-person hearing board, composed of two individuals from the Board of Directors of Kansas Athletics, Inc. ("Athletics") and one other University or Kansas Athletics employee, to consider the matter and hear reasons for and against the contemplated action. Self shall have the right to appear before the hearing board, with a representative if he desires, to comment on the reasons given for the contemplated action and to present reasons against it. The hearing board shall not be bound by formal or technical rules of evidence. The hearing board shall send written findings of fact and recommendations on the matter to the Chancellor or the Chancellor's designee. The Chancellor or designee may seek counsel from the Athletics' Board of Directors. The Chancellor shall consider and decide the matter and shall notify, in writing, Self, the Director of Intercollegiate Athletics, and the hearing board of the Chancellor's decision, which shall be final.
- (d) In the event employment is terminated pursuant to the terms and conditions set forth in these Additional Terms, Self shall be entitled to all rights which have accrued under contract as of the termination date.

- (e) In the event of a conflict between these Additional Terms and Athletics' and the University's general terms, conditions, policies and procedures governing employment (as they may be modified from time to time), these Additional Terms shall govern.
- (f) If Self is found in violation of NCAA regulations, he shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures.

II. Outside Income

Self shall annually report all athletically related income and benefits from sources outside Athletics and the University of Kansas including, without limitation, income from annuities; sports camps; housing benefits; country club memberships; complimentary ticket sales; television and radio programs; and endorsement or consultation contracts with athletic shoes, apparel or equipment manufacturers. The report shall be made through the Director of Intercollegiate Athletics to the Chancellor of the University of Kansas.

III. Reporting Rules Violations

Self shall immediately report any knowledge of potential or known violations of NCAA or Big 12 Conference rules to the Director of Intercollegiate Athletics or to the Associate Director of Athletics for Compliance.

PROFESSIONAL SERVICES AGREEMENT

This Agreement is made by and between Kansas Athletics, Inc. (“Athletics”) and BCLT II, LLC, operating as a Kansas Limited Liability Company, domesticated in the State of Kansas, and reporting activity under a federal employer identification number of 444-74-6649 (“Contractor”); and

WHEREAS Athletics and Bill Self (Head Coach) entered into an Employment Contract effective April 1, 2012 (“Employment Contract”) which supersedes all prior Employment Contracts between the parties; and

WHEREAS Athletics and Contractor wish to arrange for compensation through this Agreement for all educational, public relations, and promotional activities (“multimedia activities”) as arranged by BCLT II, LLC for Head Coach to perform under the terms of the Employment Contract;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Athletics and Contractor agree as follows:

I. Description of Services

(a) During the term hereof, effective April 1, 2012, Contractor shall provide to Athletics, or cause to be provided, multimedia activities and services by Head Coach as reasonably requested by Athletics.

(b) Contractor agrees that Athletics has the exclusive right to any and all of the services described in Section I(a) (“the Services”) and that the Services, and any performance similar to the Services, shall not be performed for any other person, corporation or entity

during the term of this agreement without the consent of the Director of Intercollegiate Athletics of the University of Kansas.

(c) Contractor shall report to the Director of Intercollegiate Athletics or his designee (collectively the "Director"), to advise and inform Athletics regarding the services when necessary or appropriate and when otherwise requested to do so.

II. Term of Agreement

(a) The term of this Agreement shall be from April 1, 2012 to March 31, 2022 unless sooner terminated, as provided herein, or extended.

(b) This Agreement may be terminated by Athletics immediately (i) in the event that the employment contract between Athletics and Head Coach is terminated or if Head Coach is removed for cause from the position of Head Basketball Coach of the University of Kansas, (ii) if any person participating in the performance hereof on behalf of the Contractor is found to be involved in a major violation of University of Kansas, NCAA or Big 12 Conference rules or regulations and Contractor, through any of its employees or other agents, knew or should have known of such violations, or (iii) Contractor refuses to perform any duties or obligations imposed by this Agreement.

(c) In the event Head Coach's employment is terminated for cause as defined in his employment contract with Athletics, Contractor shall be paid all amounts which have accrued under this Professional Services contract as of the termination date, and shall not be entitled to any further compensation.

(d) In the event Head Coach's employment is terminated by Athletics, other than for cause as defined in his Employment Contract, Contractor shall be paid, as liquidated damages, an amount equal to two additional full year's payments (or payments allocable for the remaining term of the agreement, whichever is less). The parties agree that such

liquidated damages are in lieu of all other claims or damages under this contract; and further constitute reasonable compensation for losses and are not a penalty and will be due and payable within sixty (60) days following such termination.

(e) In the event Contractor terminates this Agreement, Contractor shall be paid for services actually rendered as of the date of termination provided that nothing herein shall be construed as limiting the power of Athletics to exercise any rights, legal or equitable, existing in its favor in the event of such a termination or any breach of this Agreement by Contractor.

(f) In the event of Head Coach's death or disability, Athletics shall make to Head Coach's estate all payments then due and owing to the Contractor and shall make payment which would have otherwise been made payable to Contractor for a period of eight (8) months from the date of Head Coach's death or disability as defined in the Employment Contract. In the event Contractor makes a reasonable attempt to obtain disability insurance for Head Coach, but is unable to do so and notifies the Director of Intercollegiate Athletics of such inability, and Head Coach subsequently becomes disabled, payments under this Agreement shall continue for twelve (12) months from the date of such disability. Athletics' obligations under this Agreement shall otherwise end upon death or disability.

III. Basis of Payment

Effective April 1, 2012, Athletics shall pay Contractor for Services rendered pursuant to this Agreement, the sum of \$2,750,000 annually through March 31, 2022, which shall be payable monthly for services rendered during the preceding month.

IV. Assignment

Neither this Agreement nor any rights, duties, interests or claims herein shall be assigned or transferred by Contractor except as expressly authorized in writing by Athletics.

V. Liability

Contractor shall indemnify and hold Athletics, its trustees, officers, employees and agents, and each of them, harmless from and against any and all claims arising out of the work performed under this Agreement by Contractor and any and all of Contractor's employees, agents or subcontractors provided, however, that Athletics shall be responsible for all claims which are proximately caused by the negligent conduct of any trustees, officers, employees or agents of Athletics other than those associated with Contractor.

VI. Compliance with Laws

(a) Contractor shall comply with all laws, statutes, regulations, rulings, rules or enactments that are applicable to the work described in Section I of this Agreement.

(b) The parties to this Agreement shall comply with, and this Agreement shall be subject to, any and all laws, rules, rulings, regulations and enactments governing Athletics and the University of Kansas including, without limitation, those of the Big 12 Conference and National Collegiate Athletic Association.

VII. Governing Law and Immunities

All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of Kansas, the law on conflicts of law notwithstanding. Any legal action brought under this Agreement shall be brought in the

state or federal district courts of the State of Kansas, and each party waives the right to seek a change of venue to any other courts.

VIII. Independent Status

Contractor is an independent contractor and in providing services hereunder shall not be deemed to be an agent of Athletics or the University of Kansas. All persons performing services for Contractor in connection herewith shall be employees, agents or subcontractors of Contractor.

IX. Severability

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

X. Notices

All notices, demands or requests from one party to the other may be personally delivered or sent by first-class mail, postage prepaid. Communications hereunder shall be deemed to have been made at the time of personal delivery or at the time of proper mailing. The address for the parties shall be as provided below or as provided by either party in writing subsequent to the execution of the Agreement:

If to Contractor:

BCLT II, LLC
c/o Bill Self
1651 Naismith Drive
Lawrence, Kansas 66045

Stuart D. Campbell
Doerner, Saunders, Daniel & Anderson
Two West Second Street, Suite 700
Tulsa, OK 74103

If to the University:

Dr. Sheahon Zenger
Director of Intercollegiate Athletics
1651 Naismith Drive
Lawrence, KS 66045

with a copy to:

Judith E. Pottorff
Corporate Counsel
1651 Naismith Drive
Lawrence, KS 66045

XI. Entire Agreement

This Agreement embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein and this Agreement shall supersede all previous communications, representations, or agreements, both verbal or written, between the parties, regarding the subject matter contained herein.

XII. Amendments

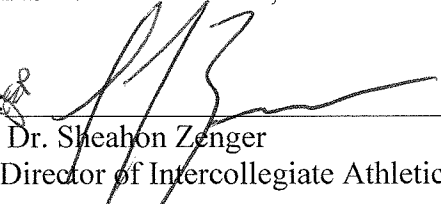
No amendment, modification or alteration of this Agreement shall be binding unless in writing, dated subsequent to the date hereof, and duly executed by both parties hereto.

XIII. No Waiver

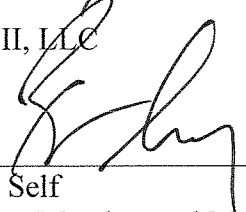
No waiver by the parties hereto of any default or breach of any covenant, term or condition of this Agreement shall be deemed to be a waiver of any other default or breach of the same or any other covenant, term or condition contained herein.

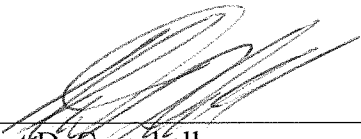
This Agreement is made as of the 29th day of August, 2012.

KANSAS ATHLETICS, INC.

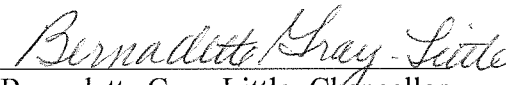
By: 
Dr. Sheahon Zenger
Director of Intercollegiate Athletics

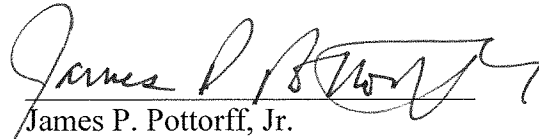
BCLT II, LLC

By: 
Bill Self
Title: Member and Manager


Stuart D. Campbell
Title: Attorney for BCLT II, LLC

Approved by:


Bernadette Gray-Little, Chancellor
The University of Kansas


James P. Pottorff, Jr.
Title: University General Counsel

AMENDED
RETENTION PAYMENT AGREEMENT

THIS RETENTION PAYMENT AGREEMENT is by and between Kansas Athletics, Inc. (“Athletics”) and Bill Self (“Head Coach”) and is effective April 1, 2008, as amended effective April 1, 2012.

WHEREAS, the University of Kansas, through Kansas Athletics, Inc. operates the intercollegiate athletics programs of the University, subject to the direction and control of the Chancellor of the University of Kansas; and

WHEREAS, Athletics has entered an Employment Agreement (“Employment Agreement”) with Head Coach, effective April 1, 2012, by which Head Coach shall serve as the head men’s basketball coach; and

WHEREAS, Athletics desires to assure that Head Coach shall continue as head men’s basketball coach through at least March 31, 2022.

NOW, THEREFORE, in consideration of the mutual representations, agreements, and promises herein contained, the parties hereto agree as follows:

1. **Retention Payment.** If Head Coach serves continuously as head basketball coach through March 31, 2013, or sooner as provided for herein, in addition to all other payments as found in the Employment Agreement dated April 1, 2008, or any subsequent Employment Agreement, Athletics shall pay to Head Coach on March 31, 2013, an after-tax sum of \$2,114,575 (Initial Payment). That is, taken into account all state and federal tax liabilities Head Coach will owe with respect to the Initial Payment, Head Coach shall receive the net amount of \$2,114,575. Athletics shall credit a separate account in favor of Head Coach with such annual amounts so that if Head Coach serves continuously as head men’s basketball coach through March 31, 2013, or sooner as provided for herein, Head Coach shall receive, \$2,114,575 on March 31, 2013 (being the sum of \$371,525 + \$371,525 + \$371,525 + \$500,000 + \$500,000). Beginning on April 1, 2013, for each full year thereafter that Head Coach serves continuously as head men’s basketball coach through March 31, 2018, Head Coach shall be entitled to receive the after-tax sum of \$500,000 per annum through March 31, 2018. Athletics shall credit a separate account in favor of Head Coach with such annual amounts so that if Head Coach serves continuously as head men’s basketball coach through March 31, 2018, Head Coach shall be entitled to receive \$2,500,000 (second payment) on March 31, 2018 (being \$500,000 multiplied by five years). That is taken into account all State and Federal tax liabilities Head Coach will owe with respect to the second payment, Head Coach shall receive the net amount of \$2,500,000 for the period April 1, 2013, through March 31, 2018. Beginning on April 1, 2018, for each full year thereafter that Head Coach serves continuously as head men’s basketball coach through March 31, 2022, Head Coach shall be entitled to receive the after-tax sum of \$500,000 per annum through March 31, 2022. Athletics shall credit a separate account in favor of Head Coach with such annual amounts so that if Head Coach serves

continuously as head men's basketball coach through March 31, 2022, Head Coach shall be entitled to receive \$2,000,000 on March 31, 2022 (being \$500,000 multiplied by four years). That is taken into account all State and Federal tax liabilities Head Coach will owe with respect to the second payment, Head Coach shall receive the net amount of \$2,000,000 for the period April 1, 2018, through March 31, 2022.

2. **Vesting.** Except as specifically described elsewhere in this Agreement, so long as Head Coach is serving as head basketball coach, these payments to Head Coach will vest on an annual basis so that the after-tax sum of \$371,525 shall vest for the benefit of Head Coach on March 31, 2009, 2010 and 2011, and the after-tax sum of \$500,000 shall vest for the benefit of Head Coach on March 31, 2012, and each year thereafter through March 31, 2022, during the term of this Agreement and Head Coach's employment. This amount, although vesting on an annual basis, will not be paid to Head Coach, except as otherwise provided for herein until March 31, 2013 (Initial Payment due) and March 31, 2018 (Second Payment due) and March 31, 2022 (third payment due).

3. **Termination.** Termination under this Agreement shall only be deemed to occur if Head Coach is no longer employed by Athletics or any member of a controlled group of corporations with Athletics under Internal Revenue Code Section 414(b), or any partnership, proprietorship or other trade or business under common control with Athletics under Internal Revenue Code Section 414(c).

4. **Termination Without Cause.** In the event Athletics terminates Head Coach's Employment Agreement without cause prior to March 31, 2022, Coach shall receive an after-tax payment of all sums which have accrued and vested and an amount equal to two additional full years' payments (or payments allocable for the remaining term of the Agreement), whichever is less, in addition to other payments set forth in the Employment Contract. This payment shall be made in the event termination without cause occurs at any time up to and including March 31, 2022.

In the event Head Coach's employment is terminated without cause after such date, this provision is no longer effective. Any payment under this provision shall be made 30 days after the date of termination. Head Coach agrees to accept this compensation as liquidated damages for his termination under the provisions of this paragraph and understands and agrees that such liquidated damages are in lieu of all other compensation and benefits owed to Head Coach under any and all other provisions of this, but are in addition to liquidated damages under the Employment Contract and further constitute reasonable compensation for losses that Head Coach may incur and are not a penalty.

5. **Termination in the Event of Head Coach's Death or Disability.** In the event of Head Coach's death, his estate shall receive an after tax payment of \$500,000 for every full year Head Coach has been employed as head men's basketball coach after April 1, 2008. In the event of Head Coach's disability, as defined below, Head Coach shall receive a payment of \$500,000 for every full year Head Coach has been employed as head men's basketball coach after April 1, 2008. A "full year" shall be defined as a year beginning on April 1 and ending on March 31. In the event of Head Coach's death or disability before the end of any such full year, this payment shall include an amount established by dividing by 365 a numerical figure obtained by multiplying the number of calendar days served during the partial year (that begins on April 1) by the amount of \$500,000. This payment shall be made in the event Head Coach's death or

disability occurs at any time up to and including March 31, 2022 but in the event of Head Coach's death or disability between April 1, 2013 and March 31, 2022, this payment shall not include any amount for the days or years served prior to April 1, 2013. In the event Head Coach dies or is disabled after March 31, 2022, this provision is no longer effective.

Disability shall only be deemed to exist if Head Coach is

- a. unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months;
- b. by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, is receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Athletics; or
- c. determined to be totally disabled by the United States Social Security Administration.

6. **Termination for Cause.** In the event Athletics terminates head Coach's Employment Agreement for cause, as defined in Head Coach's Employment Agreement, Head Coach shall receive an after-tax payment for every year which amounts have vested as \$500,000 for every full year Head Coach has been employed as head basketball coach after April 1, 2011, through the date of termination. A full year shall be defined as a year beginning on April 1, and ending on March 31. In the event of Head Coach's termination with cause before the end of any full year, this payment shall include an amount established by dividing by 365 a numerical figure obtained by multiplying the number of calendar days served during the partial year (that begins on April 1) by the amount of after-tax \$500,000.

7. **Termination by Head Coach.** In the event Head Coach terminates his Employment Agreement with Athletics, he shall receive an after-tax payment for every year which amounts have vested as \$500,000 for every full year Head Coach has been employed as head basketball coach after April 1, 2011, through the date of termination. A full year shall be defined as a year beginning on April 1, and ending on March 31. In the event of Head Coach's termination with cause before the end of any full year, this payment shall include an amount established by dividing by 365 a numerical figure obtained by multiplying the number of calendar days served during the partial year (that begins on April 1) by the amount of after-tax \$500,000.

8. **Payments and Tax Withholding.** All payments that become due to Head Coach under this Agreement shall be payable by Athletics in cash or immediately available funds. Head Coach recognizes Athletics is obligated to withhold federal and state income taxes and Medicare tax contributions from the amounts credited to him. The gross amount payable to Head Coach for the service during the period from April 1, 2008, through March 31, 2022, shall be determined by applying the following calculation: the after-tax amount owed to Head Coach divided by the difference between 1 and the sum of: (a) the rate of the employee's share of Medicare taxes applicable to the payment; (b) the highest applicable federal individual income tax rate; and (c) the highest applicable Kansas state individual income tax rate. Each of the foregoing rates shall be determined using the rates applicable for the year in which the payment becomes

due. For example if Head Coach's Medicare rate is 1.45%, the highest applicable federal rate is 35% and the highest applicable Kansas state rate is 6.45%, the total of 42.9% subtracted from 1 would be 0.571. Although it is intended that the additional tax amounts are to be included with the payments provided by this paragraph, in order to comply with IRS requirements applicable to such tax gross-up payments it is expressly provided that any such tax gross-up payments will be made no later than the end of Head Coach's taxable year in which Head Coach remits the related taxes.

9. **Change in Taxation.** In the event federal or state tax rates materially change, or the laws and regulations concerning the taxation of an employee of a tax-exempt organization are substantially altered, revised or amended, the parties agree the after tax amount of the payment due Head Coach under this agreement shall remain \$2,114,575 for the initial payment and \$2,500,000 for the second payment and \$2,000,000 for the third payment. In the event any amounts are to be paid earlier for any reason set forth herein, such amount shall be grossed up in accordance with paragraph 8 herein.

10. **Transfer of Rights and Benefits.** The rights and benefits of Head Coach under this Agreement shall not be assigned, transferred or conveyed, except that, in the event of Head Coach's death, the right to receive any Retention Payment to which Head Coach would then otherwise be entitled, shall be paid to Head Coach's estate.

11. **Other Employment Agreement.** Head Coach will be employed by Athletics as the head men's basketball coach. The payments provided by this Retention Payment Agreement shall be in addition to all other compensation and benefits that are due Head Coach as provided for in his Employment Agreement with Athletics. The terms of this Agreement shall not affect the terms of any other agreement between Athletics and Head Coach.

12. **Consent to Jurisdiction and Venue.** This Agreement shall be governed by and construed under the laws of the State of Kansas, rules of conflicts of law notwithstanding, and any action brought pursuant to this Agreement shall be filed in the state courts or the federal courts of the State of Kansas, and each party waives the right to seek a change of jurisdiction to any courts other than those courts.

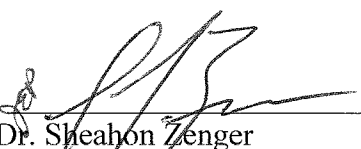
13. **Severability.** If any provision of this Agreement shall be determined to be void, invalid, unenforceable or illegal for any reason, this Agreement shall be ineffective only to the extent of such prohibition and the validity and enforceability of all remaining provisions shall not be affected thereby.

14. **Amendments, Modifications, and Extensions.** In order to be enforceable, any amendments, modifications, or extensions to this Agreement must be in writing and signed by all parties hereto.


15. **Waiver.** Waiver by any party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach hereof.

16. **Term.** This Agreement shall be for a term beginning April 1, 2008, and ending March 31, 2022, unless earlier terminated as set forth herein.

IN WITNESS WHEREOF, the parties hereto have set their hands.

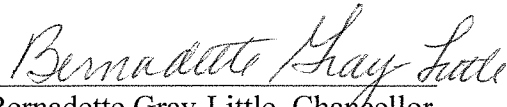
By: 
Dr. Sheahon Zenger
Director of Intercollegiate Athletics

Date: 8-21, ~~2008~~ ²⁰¹²

By: 
Bill Self
Head Men's Basketball Coach

Date: 8/17, ~~2008~~ ²⁰¹²

Approved by:


Bernadette Gray-Little, Chancellor
The University of Kansas

2541007v1

RETENTION PAYMENT AGREEMENT

THIS RETENTION PAYMENT AGREEMENT is by and between Kansas Athletics, Inc. (“Athletics”) and Bill Self (“Head Coach”) and is effective April 1, 2012.

WHEREAS, the University of Kansas (“University”), through Kansas Athletics, Inc. operates the intercollegiate athletics programs of the University, subject to the direction and control of the Chancellor of the University of Kansas; and

WHEREAS, Athletics has entered an Employment Agreement (“Employment Agreement”) with Head Coach, effective April 1, 2012, by which Head Coach shall serve as the head men’s basketball coach; and

WHEREAS, Athletics desires to assure that Head Coach shall continue as head men’s basketball coach through at least March 31, 2022.

NOW, THEREFORE, in consideration of the mutual representations, agreements, and promises herein contained, the parties hereto agree as follows:

1. **Retention Payment.** It is the desire of Athletics for Head Coach to serve continuously as head basketball coach through at least March 31, 2022, and based thereon, agrees that Athletics shall pay to Head Coach on March 31, 2015, the sum of \$2,628,000 (Initial Payment) and on March 31, 2018, the sum of \$2,628,000 (Second Payment). Athletics shall credit a separate account in favor of Head Coach with such annual amounts of \$876,000 so that if Head Coach serves continuously as head men’s basketball coach through March 31, 2018, or sooner as provided herein, Head Coach shall receive, the Initial Payment and Second Payment as set forth above. Beginning on April 1, 2019, for each full year thereafter that Head Coach serves continuously as head men’s basketball coach through March 31, 2022, Head Coach shall be entitled to receive the sum of \$1,500,000 per annum through March 31, 2022, so that if Head Coach serves continuously as head men’s basketball coach through March 31, 2022, Head Coach shall be entitled to receive a Third Payment in the amount of \$6,000,000 payable on March 31, 2022. The third payment shall not vest annually, but rather will only vest on March 31, 2022, so that if the Head Coach is not serving as the head basketball coach at such time, he will not be entitled to such Third Payment.

2. **Vesting.** Except as specifically described elsewhere in this Agreement, so long as Head Coach is serving as head basketball coach, these payments to Head Coach will vest on an annual basis so that the sum of \$876,000 shall vest for the benefit of Head Coach on March 31, 2013, and each year thereafter through March 31, 2018, during the term of this Agreement and Head Coach’s employment. This amount, although vesting on an annual basis, will not be paid to Head Coach, except as otherwise provided for herein until March 31, 2015 (Initial Payment due) and March 31, 2018 (Second Payment due). The amounts for the Third Payment shall be credited annually in favor of Head Coach, but shall not vest and Head Coach shall

not be entitled to the Third Payment unless employed by Athletics as Head Coach on March 31, 2022, or sooner as provided for herein.

3. **Termination.** Termination under this Agreement shall only be deemed to occur if Head Coach is no longer employed by Athletics or any member of a controlled group of corporations with Athletics under Internal Revenue Code Section 414(b), or any partnership, proprietorship or other trade or business under common control with Athletics under Internal Revenue Code Section 414(c).

4. **Termination Without Cause.** In the event Athletics terminates Head Coach's Employment Agreement without cause prior to March 31, 2022, Coach shall receive payment of all sums which have accrued and vested in addition to an amount equal to two additional full years' payments (or payments allocable for the remaining term of the Agreement, whichever is less), in addition to other payments set forth in the Employment Contract. This payment shall be made in the event termination without cause occurs at any time up to and including March 31, 2022. In the event Head Coach's employment is terminated without cause after such date, this provision is no longer effective. Any payment under this provision shall be made 30 days after the date of termination. Head Coach agrees to accept this compensation as liquidated damages for his termination under the provisions of this paragraph and understands and agrees that such liquidated damages are in lieu of all other compensation and benefits owed to Head Coach under any and all other provisions of this, but are in addition to liquidated damages under the Employment Contract and further constitute reasonable compensation for losses that Head Coach may incur and are not a penalty.

5. **Termination in the Event of Head Coach's Death or Disability.** In the event of Head Coach's death, his estate shall receive a payment of \$876,000 for every full year Head Coach has been employed as head men's basketball coach after April 1, 2012. In the event of Head Coach's disability, as defined below, Head Coach shall receive a payment of \$876,000 for every full year Head Coach has been employed as head men's basketball coach after April 1, 2012. A "full year" shall be defined as a year beginning on April 1 and ending on March 31. In the event of Head Coach's death or disability before the end of any such full year, this payment shall include an amount established by dividing by 365 a numerical figure obtained by multiplying the number of calendar days served during the partial year (that begins on April 1) by the amount of \$876,000. This payment shall be made in the event Head Coach's death or disability occurs at any time up to and including March 31, 2022. Any payment under this provision shall be made thirty (30) days following the death or full disability of Head Coach. In the event Head Coach dies or is disabled after March 31, 2022, this provision is no longer effective.

Disability shall only be deemed to exist if Head Coach is

- a. unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months;
- b. by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, is receiving income replacement benefits for a period of not less than three (3)

- months under an accident and health plan covering employees of Athletics; or
- c. determined to be totally disabled by the United States Social Security Administration.

6. Termination for Cause. In the event Athletics terminates head Coach's Employment Agreement for cause, as defined in Head Coach's Employment Agreement, Head Coach shall receive a payment of \$876,000 for every full year Head Coach has been employed as head basketball coach after April 1, 2012, through the date of termination. A full year shall be defined as a year beginning on April 1, and ending on March 31. In the event of Head Coach's termination with cause before the end of any full year, this payment shall include an amount established by dividing by 365 a numerical figure obtained by multiplying the number of calendar days served during the partial year (that begins on April 1) by the amount of \$876,000.

7. Termination by Head Coach. In the event Head Coach terminates his Employment Agreement with Athletics, he shall receive a payment of \$876,000 for every full year Head Coach has been employed as head basketball coach after April 1, 2012, through the date of termination. A full year shall be defined as a year beginning on April 1, and ending on March 31. In the event of Head Coach's termination with cause before the end of any full year, this payment shall include an amount established by dividing by 365 a numerical figure obtained by multiplying the number of calendar days served during the partial year (that begins on April 1) by the amount of \$876,000.

8. Payments and Tax Withholding. All payments that become due to Head Coach under this Agreement shall be payable by Athletics in cash or immediately available funds. Head Coach recognizes Athletics is obligated to withhold federal and state income taxes and Medicare tax contributions from the amounts credited to him.

9. Transfer of Rights and Benefits. The rights and benefits of Head Coach under this Agreement shall not be assigned, transferred or conveyed, except that, in the event of Head Coach's death, the right to receive any Retention Payment to which Head Coach would then otherwise be entitled, shall be paid to Head Coach's estate.

10. Other Employment Agreement. Head Coach will be employed by Athletics as the head men's basketball coach. The payments provided by this Retention Payment Agreement shall be in addition to all other compensation and benefits that are due Head Coach as provided for in his Employment Agreement with Athletics. The terms of this Agreement shall not affect the terms of any other agreement between Athletics and Head Coach.

11. Consent to Jurisdiction and Venue. This Agreement shall be governed by and construed under the laws of the State of Kansas, rules of conflicts of law notwithstanding, and any action brought pursuant to this Agreement shall be filed in the state courts or the federal courts of the State of Kansas, and each party waives the right to seek a change of jurisdiction to any courts other than those courts.

12. **Severability.** If any provision of this Agreement shall be determined to be void, invalid, unenforceable or illegal for any reason, this Agreement shall be ineffective only to the extent of such prohibition and the validity and enforceability of all remaining provisions shall not be affected thereby.

13. **Amendments, Modifications, and Extensions.** In order to be enforceable, any amendments, modifications, or extensions to this Agreement must be in writing and signed by all parties hereto.

14. **Waiver.** Waiver by any party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach hereof.

15. **Notice.** Any notice or other communication hereunder will be in writing, sent via registered or certified mail, overnight courier, or confirmed facsimile transmission and via e-mail and will be deemed provided, if, (a) mailed, when deposited, postage prepaid, in the United States mail, (b) sent by overnight courier, one business day after delivery to such courier, and (c) sent by confirmed facsimile. Any notice or other communication will be addressed as set forth below, or to such other address as any party will advise the others in writing:

If to the University:

Office of the Chancellor
1450 Jayhawk Boulevard
Room 230
The University of Kansas
Lawrence, Kansas 66045
Facsimile: (785) 864-4120

with a copy to:

Office of the General Counsel
1450 Jayhawk Boulevard
Room 245
The University of Kansas
Lawrence, Kansas 66045
Facsimile (785) 864-4617

If to Athletics:

Director of Athletics
Kansas Athletics, Inc.
1651 Naismith Drive
Lawrence, Kansas 66045
Facsimile: (785) 864-5035

If to Head Coach:


Mr. Bill Self
1651 Naismith Drive
Lawrence, Kansas 66045
BCLT@ku.edu

with a copy to:

Stuart D. Campbell
Doerner, Saunders, Daniel & Anderson
Two West Second Street, Suite 700
Tulsa, OK 74103
scampbell@dnda.com


16. **Term.** This Agreement shall be for a term beginning April 1, 2012, and ending March 31, 2022, unless earlier terminated as set forth herein.

IN WITNESS WHEREOF, the parties hereto have set their hands.

By: 

Dr. Sheahon Zenger
Director of Intercollegiate Athletics

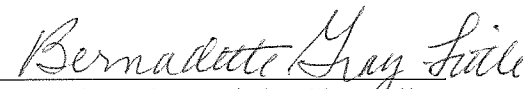
Date: 8-21, 2012

By: 

Bill Self
Head Men's Basketball Coach

Date: 8/17, 2012

Approved by:



Bernadette Gray-Little, Chancellor
The University of Kansas