



December 9, 2016

TO: Charlie Strong ("Coach")
FROM: Mark Harlan, USF Director of Athletics
SUBJECT: USF Head Football Coach Letter of Offer

Dear Mr. Strong:

The University of South Florida and its Department of Athletics ("University" or "USF") are enthusiastic about the opportunity for you to become the University's next Head Football Coach. On behalf of the University, we extend an offer of employment to you as the Head Coach of our Football program.

It is understood and agreed upon that a number of terms below continue to be the subject of good faith negotiations between the parties. However, we have entered into this Letter of Offer in order to avoid delay in confirming both USF's offer to you to become the Head Coach of the USF Football program and your acceptance of this offer. The terms of this offer ("Agreement") will be incorporated into and further detailed in a long form Head Coaching Agreement within thirty (30) days of this letter.

1. Term of Employment: An initial term of 5 years through December 31, 2021 or the end of the then current season, whichever is later.
2. Coach's Duties: Coach will serve as the Head Coach of the University's football program and devote his full time, energy, and abilities for the exclusive benefit of the University as specifically set forth in the Head Coaching Agreement. Coach will act under the supervision of and perform to the reasonable satisfaction of the Director of Athletics and abide by all NCAA and University rules and policies.
3. Base Salary and Benefits: \$500,000 annually plus benefits provided to University employees based upon the Base Salary. Increases to Base Salary will not be subject to state legislative appropriations or other University salary increase programs. Coach will receive any and all other regular employment benefits provided by the State of Florida to similarly situated at-will employees. Except however, Coach agrees to waive all right to a payout for accrual of vacation and sick leave time through the term of this Agreement.

4. Additional Compensation and Benefits:

- a) Coach will provide to University a variety of other services including, but not limited to, promotional activities, appearances, fundraising and development events, television or radio broadcasts, etc. at the direction of the University, and the University will pay coach the following amounts ("Supplemental Compensation") beginning January 1, 2017:

1/1/2017: \$500,000 - (Total Annual Compensation w/ Base Salary = \$1,000,000)
1/1/2018: \$500,000 - (Total Annual Compensation w/ Base Salary = \$1,000,000)
1/1/2019: \$2,000,000 - (Total Annual Compensation w/ Base Salary = \$2,500,000)
1/1/2020: \$2,100,000 - (Total Annual Compensation w/ Base Salary = \$2,600,000)
1/1/2021: \$2,200,000 - (Total Annual Compensation w/ Base Salary = \$2,700,000)

University will make supplemental compensation payments on a quarterly basis (i.e. March 31st, June 30th, September 30th, and December 31st). University will make such quarterly payments on the first payroll cycle following a quarter-end.

Coach may, with approval of the Athletic Director, reallocate funds within section (4) and to section 6.

- b) A country club membership will be provided for you and your family at a club designated by the University.
- c) Automobile Stipend of \$800.00 monthly or one courtesy car.
- d) Use of Home Game football stadium suite and 6 season tickets, (with incidental costs borne by Coach for personal use), 4 season tickets for Men's and Women's Basketball.
- e) Coach has the right to operate football camps and clinics at USF at the discretion of the Director of Athletics with the understanding that Coach will ensure the operation of any such camp are private and independent of the University and Coach's operation of any such camp complies with all applicable laws and USF regulations and policies.
- f) Coach may receive endorsement rights offered to Coach in his individual capacity from outside the University in accordance with NCAA regulations and in accordance with the terms of the Head Coaching Agreement. Coach cannot enter agreements on behalf of the University or agreements that would require action by or oblige the University. Further, Coach may not be a party to an apparel or shoe agreement requiring Football Program to wear a certain apparel or shoe products, and University may require Coach to comply with the terms of any such agreement entered into by the University.

The compensation listed above may be treated as taxable income by the Coach. Coach agrees that he will pay any tax that might be due to any taxing authority that is not otherwise reported by the University.

5. Performance Achievements and Bonuses:

a) Performance Achievements and Bonuses:

The University will pay Coach additional compensation in the form of performance incentives if the Football Program fulfills or achieves any of the events or accomplishments. Coach and Athletic Director shall mutually determine the relevant achievements and amounts associated with same.. However, incentives will not be payable for any season in which the Football program's annual Academic Progress Rate ("APR") reported in the University's Official Annual APR Report is below 930 (or other minimum as may be set by the NCAA) for each academic year resulting while under the care and management of Coach.

6. Assistant Coaches and Program Support: The Assistant Coaches' compensation/salary pool shall be the following aggregate amount: \$1,660,000

a) Beginning on January 1, 2018 and at each anniversary thereof during the term of this Agreement, the Coaches Pool may adjust.

1/1/2018: \$2,250,000

1/1/2019: \$3,400,000

1/1/2020: \$3,400,000

1/1/2021: \$3,400,000

Coach may at his discretion annually reallocate the compensation/salary pool among the Assistant Coaches based on any combination of the following factors: performance; availability of funds; and the interests of the university and the football program. Coach will consult with the Athletic Director on this annual allocation.

7. Termination by Coach: In the event that Coach voluntarily terminates this Agreement or his employment with the University without cause, Coach shall pay the University within ninety (60) days of such termination the following amount as applicable:

Date of execution or 1/1/2017, whichever date first occurs, thru 12/31/2017: \$2,500,000

- January 1, 2018 thru December 31, 2018: \$2,200,000
- January 1, 2019 thru December 31, 2019: \$2,000,000
- January 1, 2020 thru December 31, 2020: \$1,700,000
- January 1, 2020 thru December 31, 2020: \$1,700,000

Upon notice of termination by Coach, the University shall be relieved from all future obligations under this Agreement. The parties agree that it would be very difficult to ascertain or estimate actual damages to the University, and the sum specified above is reasonable and appropriate compensation for the injury suffered by the University and is not a penalty.

8. Termination by University: In the event that the University terminates this Agreement or otherwise relieves Coach of his duties hereunder for reasons other than 'for cause' the sole obligation of the University under this Agreement shall be to continue to provide the Base Salary to Coach as set forth provided for in Paragraph 3 above (exclusive of benefits) as if Coach were fully performing his duties for a period of 20 (twenty) weeks only. This payment may be accelerated at the discretion of the University. Notwithstanding the foregoing, if Coach subsequently obtains employment in another football coaching capacity prior to the expiration of the twenty week period, then the following shall apply: (i) if Coach's new base salary is greater than the Base Salary, then the University's obligations to make payment(s) under this Section shall cease as of the first date of new employment; or (ii) if Coach's new base salary is less than the Base Salary, then the University shall only be obligated to pay for the difference between the two amounts, less any salary increases paid by the new employer, through the twenty week period. Any amounts of Base Salary paid as a lump sum in advance shall also be calculated as set forth in the preceding sentence and a pro rata portion of any advance payments shall be returned to the University if necessary. Upon termination, Coach shall be relieved of all further obligations under the Agreement. USF is not responsible for any additional compensation under this Agreement, and payment made by USF as provided above in this Agreement will be in full satisfaction of all claims. You are obligated to notify us of new employment and provide a copy of your contract including subsequent adjustments.

The University may also terminate Coach's employment 'for cause' for reasons including, but not limited to, (i) a material breach by Coach of his duties or his employment agreement; (ii) a violation of any law or rule applicable to intercollegiate athletics; or (iii) other misconduct, including without limitation fraud, dishonesty, excessive use of alcohol, use or possession of drugs, gambling, acts of violence, or other conduct that is contrary to the University's mission as a public educational institution. In the event of termination for cause, the University shall be relieved of all payment obligations under this Agreement as of the effective date of the termination for cause.

9. Compliance with Rules and Regulations: In the performance of his duties, Coach shall comply with all applicable laws and all University, NCAA and Conference rules, regulations and policies. Coach shall ensure that assistant coaches and other individuals under his supervision comply with such laws, rules and policies. Coach's violation of any such laws rules will be considered ground for termination for cause.

10. Coach's Representations: Coach warrants and represents to the University that:

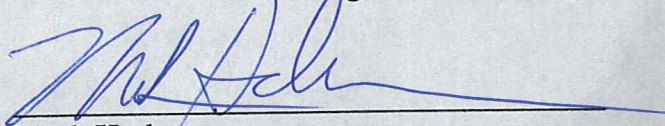
- a) He has the necessary knowledge, skills, qualifications, and experience to serve as the head coach of the Football Program.
- b) He is familiar with the Athletic Rules and University Rules, he will abide by these rules and he will remain familiar with these rules in the future.
- c) There are no conflicting obligations or agreements with another college, university, or other individual or entity that prevents him from entering into this Agreement and fully executing the duties required by this Agreement.

- d) He has not been found to have violated any Athletic Rules after investigation by the NCAA or other agency, and that he has fully disclosed to the Athletic Director and the University any and all past investigations of alleged violations of Athletic Rules in which he has been involved.
- e) His reported academic credentials are accurate as stated in any application materials submitted to the University or reported by or on behalf of Coach (i.e. current or past employer's websites and publications).

11. Disputes: The parties hereby consent that any dispute arising out of or relating to this offer shall be finally settled by arbitration conducted expeditiously in accordance with the American Arbitration Association ("AAA") Rules. Any such arbitration shall take place in Hillsborough County, Florida or the county in which either party resides. Any judgment upon the award decided upon by the arbitrators may be entered by any court having jurisdiction thereof. The arbitrators are not empowered to award damages in excess of compensatory damages and each party hereby irrevocably waives any damages in excess of compensatory damages. A more thorough arbitration provision shall be included in the Head Coaching Agreement.

Acknowledgement of Terms: By signing below, Coach is agreeing to the material terms outlined in this Letter of Offer. Coach also agrees and understands that these terms will be incorporated into the University's Head Coaching Agreement that the parties will promptly execute within thirty (30) days of this letter.

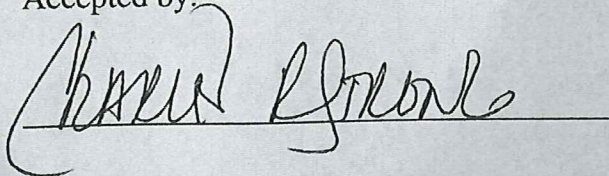
We look forward to a long and successful partnership.



Mark Harlan
University of South Florida, Director of Athletics

Date: 12/11/16

Accepted by:



Date: 12/14/2016

EXHIBIT A – PERFORMANCE ACHIEVEMENTS AND BONUSES

PERFORMANCE ACHIEVEMENTS	PERFORMANCE BONUSES
8 regular season wins (cumulative)	\$5,000
9 regular season wins (cumulative)	\$10,000
10 regular season wins (cumulative)	\$15,000
11 regular season wins (cumulative)	\$20,000
12 regular season wins (cumulative)	\$25,000
Top 16 thru 25 Finish (AP or CFP top 25 ranking at end of season)	\$15,000
Top 11 thru 15 Finish (AP or CFP top 25 ranking at end of season)	\$25,000
Top 1 thru 10 Finish (AP or CFP top 25 ranking at end of season)	\$50,000
Win Over Top 25 Team (AP or CFP ranking as of date of win); (One bonus per win, non-cumulative with top 10 win)	\$10,000
Win Over Top 10 Team (AP or CFP ranking as of date of win); (One bonus per win, non-cumulative with top 25 win)	\$25,000
Conference Coach of the Year	\$25,000
National Coach of the Year (AP or AFCA)	\$50,000
Academic Performance Rate > or = to 950 up to 974	\$15,000
Academic Performance Rate > or = to 975	\$25,000
Academic Year Team GPA > or = to 3.0 up to 3.24	\$10,000
Academic Year Team GPA > or = to 3.25 up to 3.49	\$20,000
Academic Year Team GPA > or = to 3.5	\$30,000
Conference Championship Game winner	\$50,000
Conference Championship Game participant	\$10,000
CFP Bowls Win (New Year's Six)	\$100,000
CFP Bowls participant (New Year's Six)	\$50,000
Win National Championship	\$250,000
National Championship Game participant	\$100,000
All Other Bowl Wins	\$25,000
All Other Bowl Participation	\$15,000