

BOARD OF DIRECTORS
UNIVERSITY OF LOUISVILLE
ATHLETIC ASSOCIATION, INC.
University of Louisville
Louisville, Kentucky 40292
Office: 502-852-5417
Fax: 502-852-7226

October 3, 2017

Via Registered Mail

Dear Mr. Pitino,

Re. Notice under Sections 6.1 and 6.3 of the Employment Contract

The University of Louisville Athletic Association, Inc. ("ULAA") has authorized me to start the process for termination for cause under your Employment Contract with ULAA ("Contract"). Pursuant to Sections 6.1 and 6.3 of your Contract, this letter shall serve as Notice of the charges against you which constitute "Just Cause" for termination.

This Notice arises out of your conduct over a period of years, including without limitation, your involvement in two recent and highly publicized scandals involving the University of Louisville's men's basketball program:

On June 15, 2017, the NCAA Committee on Infractions issued its Public Infractions Decision involving the University of Louisville's men's basketball program. As you know, the case involved a high-profile escort scandal which took place in Minardi Hall over the period of approximately three and one-half years. The Committee ruled, in relevant part, that your failure to monitor and exercise sufficient oversight of the former director of men's basketball operations constituted a Level I violation of NCAA rules. As a result of its findings, the Committee instituted severe penalties against the University.

On Tuesday, September 26, 2017, the University of Louisville was informed by the U.S. Attorney's Office for the Southern District of New York that it intended to announce later that day a criminal investigation implicating certain members of the men's basketball program at the University of Louisville, including several coaches. The allegations contained in the complaint and affidavit of the Special Agent for the FBI, John Vourderis, set out a scheme of fraud and malfeasance in the recruitment of student athletes involving you and multiple members of your coaching staff in violation of federal law and NCAA Division I Bylaws.

In addition, in late May of 2017, Christian Dawkins, one of the individuals charged as part of the criminal investigation by the U.S. Attorney's Office, was on campus for purposes related to the basketball program. As someone known to have acted as an "agent" for athletes, the basketball staff should have notified Athletics Compliance. No notification was provided.

Based on the above conduct, you are hereby charged with violating the following provisions of your Contract summarized below:

Section 6.1.1.— A material violation of the Contract. Your above conduct constitutes material breach of the following Sections of the Contract:

- Section 4.1.3—failure to diligently supervise compliance of assistant coaches
- Section 4.3—failure to promote an atmosphere of compliance, academic integrity, and ethical conduct within the University of Louisville men's basketball program; failure to monitor the activities of all assistant coaches and administrators involved with the program who report, directly or indirectly, to you
- Section 4.3.5—failure to notify compliance staff of concerns or red flags relating to the late surprise commitment of Brian Bowen and failure to notify compliance staff of the presence on campus of Christian Dawkins.
- Section 4.3.6—failure to ensure staff cooperation with any University, conference, and/or NCAA investigations and accept responsibility for maintaining the integrity of the investigation and enforcement process
- Section 4.3.7—failure to take responsibility for violations
- Section 4.3.8—failure to actively monitor staff's activities, resulting in the commitment of multiple NCAA level-1 violations

Section 6.1.2—Disparaging media publicity of a material nature that damages the good name and reputation of the Employer or the University caused by Employee's willful misconduct, which tends to greatly offend the public or any class thereof on the basis of invidious distinction.

Section 6.1.3—Major violation of any rule, or bylaw of Employer, the athletic conference with which the University is then affiliated or the NCAA, including Level I and/or Level II NCAA violations, which violation damages Employer or the University in a material fashion.

Your involvement in these recent scandals cannot be considered isolated events. Instead, they are illustrative of a pattern and practice of inappropriate behavior. The charges will be considered in the context of your full employment history with ULAA.

Pursuant to Sections 6.1 and 6.3 of your Contract, you will be given an opportunity to be heard by the ULAA Board of Directors in response to this Notice and in response to the separate decision to place you on disciplinary suspension on September 26, 2017. You will be permitted to present evidence in front of the ULAA Board of Directors. You may obtain the assistance of an attorney at your sole expense to aid in this proceeding.

This ULAA Board meeting will be scheduled for Monday, October 16, 2017 at 9 a.m. You will be paid through this date. If you would prefer to present a written statement instead of appearing through an attorney or appearing in person, the ULAA Board will consider any evidence you wish

to present in response to the charges and concerns raised in this letter. Also, you may appear by video link if you are unable to appear in person on October 16th.

In summary, the ULAA Board of Directors would like know why you should not be terminated for Just Cause given your employment history and the charges set forth above. If you elect not to be heard, the final decision will be made concerning whether you will be discharged for Just Cause without consideration of any evidence you would like to present.

ULAA's Board of Directors will consider all of the grounds available to it under your Contract and reserves the right to assert additional grounds as the evidence develops. If you plan to present evidence under this procedure, please notify ULAA's legal counsel. Likewise, questions concerning this "opportunity to present evidence" under your Contract should be addressed to ULAA's legal counsel.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory C. Postel".

Gregory C. Postel, M.D.
Chair of the Board of Directors
The University of Louisville Athletic Association, Inc.

Cc: Rick Avare
1843 Glen Hill Drive
Lexington, Kentucky 40502
Via Registered Mail

Cc: Stephen B. Pence, Esq (Via Registered Mail)
Brian Cassis, Esq (Via Registered Mail)
Kurt Scharfenberer, Esq (Via Registered Mail)