

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This First Amendment to Employment Agreement (“First Amendment” or “Amendment”) is made by and between the BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS (“the University” or “the Board”), acting for the University of Arkansas, Fayetteville’s Athletic Department (“UAF”), and Bret Bielema (“Coach”).

WITNESSETH

WHEREAS, Coach and the University previously entered into an Employment Agreement that was effective as of December 4, 2012 (the “Employment Agreement”); and

WHEREAS, Coach and the University now desire to amend the Employment Agreement subject to the terms and conditions herein set forth; and

WHEREAS, the Athletic Department of the University is pleased to be only one of a handful of departments nationally that is self-supporting and does not rely upon appropriated tax dollars or student fees to operate, and the University will meet its obligations under this Amendment with the Athletic Department’s self-generated revenues and private funds donated in support of the Athletic Department; and

WHEREAS, the Head Football Coach is an important leader, educator, and professional of the Razorback Football Program who plays a critical role in fulfilling the mission of the Athletic Department in assisting student-athletes achieve their full human potential academically and athletically and in becoming productive adults who make positive lifelong contributions to their communities and society;

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and promises herein set forth, the sufficiency of which is hereby acknowledged, the parties covenant and agree to amend the Employment Agreement as follows.

1. Employment Period. The “Term,” as defined in Section 1 of the Employment Agreement, shall be extended by amending the existing language to delete the ending date of “December 31, 2018,” and inserting the date “December 31, 2020” in lieu thereof. All other text, terms, and conditions set forth in Section 1 of the Employment Agreement shall remain the same and shall not be modified in any way by this First Amendment.

2. Salary and Incentive Compensation. Section 3 of the Employment Agreement is hereby amended by deleting the existing text in its entirety and substituting the following text in lieu thereof:

“3. Salary and Incentive Compensation. For each year during the Term of this Agreement, Coach shall be paid a salary based upon the line-item maximum salary established by legislative appropriation acts and shall also be paid an additional amount over the line-item salary solely from private funds and funds generated by contracts with vendors of athletic apparel, shoes, and multimedia rights. By entering into this Agreement, the Board shall be deemed to have approved all payments due Coach which shall be in excess of the line-item salary, and to the extent required by law, the Board shall review and approve all payments due Coach as required under this Agreement which shall be in excess of the line-item salary and derived on an annual basis solely from private funds and funds generated by contracts with vendors of athletic apparel, shoes, and multimedia rights.

Specifically, Coach shall be paid an Annual Salary (with any partial years being prorated) from public and private funds in the total amounts as follows:

<u>Employment Period</u>	<u>Annual Salary</u>
February 6, 2015 through December 31, 2015	\$3,250,000.00

January 1, 2016 through December 31, 2016	\$3,350,000.00
January 1, 2017 through December 31, 2017	\$3,450,000.00
January 1, 2018 through December 31, 2018	\$3,550,000.00
January 1, 2019 through December 31, 2019	\$3,650,000.00
January 1, 2020 through December 31, 2020	\$3,750,000.00

The Annual Salary shall be payable to Coach in twelve (12) equal monthly installments on the last day of each calendar month (the “Annual Salary”). Coach shall also be entitled to incentive compensation, subject to provisions of applicable law or to the extent not prohibited by law, for: (a) Athletic Achievements as set forth in Exhibit A; and (b) Academic Achievements as set forth in Exhibit B. Exhibits A and B are each attached hereto and incorporated herein by reference.”

3. Exhibits A and B to the Employment Agreement. The Employment Agreement, as amended by this First Amendment, is hereby further amended by deleting the current Exhibits A and B to the Employment Agreement and replacing them with Exhibits A and B attached to this First Amendment, which are incorporated herein by reference into this First Amendment and into the Employment Agreement.

4. Retention Compensation. In addition to the Annual Salary, the University seeks to retain Coach throughout the life of this Agreement and therefore agrees to pay Coach an aggregate amount of Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00) (the “Retention Payment”) each contract year of the Term subject to the following conditions. The Retention Payment shall be made to Coach in two equal payments of One Hundred Twenty Five Thousand and No/100 Dollars (\$125,000.00) each on February 15th and August 15th of each contract year (less all applicable state and federal tax withholdings) subject to the condition precedent that Coach is employed by the University on the date that each payment is due. For the avoidance of all doubt, the parties agree that if Coach ceases to be employed as Head Football Coach at the University at any time or for any reason prior to a scheduled payment date (February 15

and August 15 of each contract year), then the University shall not owe any portion (whether in whole or in part) of the Retention Payment to Coach for that contract year or any remaining contract years during the Term. The Retention Payment shall be paid solely from private funds and/or funds generated by contracts with vendors of athletic apparel, shoes, and multimedia rights subject to the provisions of applicable law or to the extent not prohibited by law and subject to Board approval for all amounts over line-item maximum. The Retention Payment shall not be part of Coach’s “Annual Salary,” as defined above, or subject to any guaranty agreement.

5. Termination for Convenience by the University. Section 15 of the Employment Agreement is hereby amended by deleting the existing chart set forth at the bottom of page 24 of Section 15(a) of the Employment Agreement and inserting the following chart in lieu thereof:

<u>YEAR</u>	<u>AMOUNT</u>
Feb. 6, 2015 through Dec. 31, 2015	\$15,400,000.00
Jan. 1, 2016 through Dec. 31, 2016	\$15,400,000.00
Jan. 1, 2017 through Dec. 31, 2017	\$15,400,000.00
Jan. 1, 2018 through Dec. 31, 2018	\$11,700,000.00
Jan. 1, 2019 through Dec. 31, 2019	\$7,900,000.00
Jan. 1, 2020 through Dec. 31, 2020	\$4,000,000.00

All other text, terms, and conditions set forth in Section 15 of the Employment Agreement shall remain the same and shall not be modified in any way by this First Amendment.

6. Termination By Coach. Section 16 of the Employment Agreement

(“Termination Without Cause by Coach – Salary Repayment”) is hereby amended by deleting the second paragraph of Section 16(a) in its entirety and inserting the following new second paragraph in lieu thereof:

“In the event Coach terminates this Agreement to accept a coaching or administrative position with a college, university or professional sports organization at any time prior to the final day of the Term of this Agreement on December 31, 2020, other than due to Coach’s death, disability or illness that prevents him from fulfilling his duties as Head Football Coach, then Coach: (i) shall not be entitled to receive any compensation or benefits of any nature whatsoever under this Employment Agreement following the effective date of the termination; and (ii) shall be liable to the University for the re-payment of the amounts specified in the following schedule:

<u>YEAR</u>	<u>AMOUNT</u>
Feb. 6, 2015 - Dec. 31, 2015	\$4,000,000.00
Jan. 1, 2016 – Dec. 31, 2016	\$3,000,000.00
Jan. 1, 2017 – Dec. 31, 2017	\$2,000,000.00
Jan. 1, 2018 – Dec. 31, 2018	\$1,000,000.00
Jan. 1, 2019 – Dec. 31, 2019	\$500,000.00
Jan. 1, 2020 – Dec. 31, 2020	\$250,000.00

The foregoing amounts shall be paid on a non-cumulative basis beginning with the effective date of Coach’s termination of this Agreement (the “Coach’s Payment”) and any partial years shall be prorated. The Coach’s Payment amount shall be payable in full to the University within 90 days following the effective date of Coach’s termination of this Agreement.”

All other text, terms, and conditions set forth in Section 16 of the Employment Agreement shall remain the same and shall not be modified in any way by this First Amendment.

7. Covenant Not to Compete. Section 19 of the Employment Agreement is hereby amended by deleting the first paragraph of Section 19 in its entirety and inserting

the following new first paragraph in lieu thereof:

“The parties covenant and agree that the University is a member of the SEC and competes against other SEC member institutions for students, faculty, and staff. Additionally, the parties covenant and agree that the University’s football program competes against other SEC member institutions for prospective student-athletes, financial support, and prestige. The parties further covenant and agree that the competitiveness and success of the University’s football program affects the overall financial health and welfare of the Athletic Department and that the University maintains a vested interest in sustaining and protecting the well-being of its football program, including, but not limited to, the recruitment of prospective student-athletes to the institution and the financial integrity of its athletics programs. To avoid harming the University’s interests, Coach covenants and agrees that this covenant not to compete shall be in full force and effect during the period of time beginning on February 6, 2015, and ending on December 31, 2020, and shall survive Coach’s termination of the Agreement prior to the expiration of the Term or any mutually agreed upon extensions of the Term for any reason whatsoever. Coach and/or any individual or entity acting on Coach’s behalf, shall not seek or accept employment in any coaching capacity with any other member institution of the SEC. For purposes of this covenant not to compete, the University and Coach agree that it shall apply only to the 14 member institutions of the SEC existing as of February 6, 2015. This covenant not to compete, however, shall not apply if the University exercises its right to terminate this Agreement for convenience or if Coach terminates this Agreement for cause based upon the University’s material breach of this Agreement.”

All other text, terms, and conditions set forth in Section 19 of the Employment Agreement shall remain the same and shall not be modified in any way by this First Amendment.

8. Construction of Amendment. Unless specifically modified or otherwise expressly amended by this First Amendment, all of the text, provisions, duties, obligations and rights of the parties set forth in the Employment Agreement shall remain the same. In the event of a conflict of terms between the Employment Agreement and this First Amendment, the terms of this First Amendment shall prevail.

9. Entire Agreement. The Employment Agreement and this First

Amendment to Employment Agreement contain the entire agreement between the parties and supersede any prior or contemporaneous agreements or representations, whether oral or written, between them. The Employment Agreement, as amended by this First Amendment, may not be modified or changed except by a written instrument signed by both parties. Each party represents and warrants that it has not been influenced by any person or entity to enter into the Employment Agreement or this First Amendment, nor relied upon any representations, warranties, or covenants of any person or entity except for those representations, warranties, and covenants set forth in the Employment Agreement or this First Amendment. Each party agrees: (a) that it will be unreasonable for either party to have or rely on any expectation not contained in the provisions of the Employment Agreement or this First Amendment to Employment Agreement; (b) that if either party has or develops an expectation contrary to or in addition to the provisions of the Employment Agreement or this First Amendment to Employment Agreement, such party shall have a duty to immediately give notice to the other party; and (c) that if either party fails to obtain an amendment to the Employment Agreement, as amended by this First Amendment, after having developed an expectation contrary to or in addition to the provisions of the Employment Agreement or this First Amendment to Employment Agreement, such failure will be an admission for evidentiary purposes in any litigation that the expectation was not reasonable and was not part of the final binding agreement between the University and Coach; provided, however, nothing contained in this First Amendment shall be deemed, construed or operate as a waiver of any immunities to suit available to the University, its Trustees or any officers, representatives or employees.

10. Counterparts. This First Amendment may be executed concurrently in one

or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This First Amendment shall become effective as of February 6, 2015, upon its execution by Coach and the President of the University. The signatures of the Chancellor and the Vice Chancellor and Athletics Director signify their concurrence with this First Amendment. Signatures provided by PDF copy or by facsimile shall be binding.

IN WITNESS WHEREOF, the parties hereunto set their hands unto this First Amendment to Employment Agreement to be effective as of February 6, 2015.

BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS,
ACTING FOR THE UNIVERSITY OF
ARKANSAS, FAYETTEVILLE

HEAD FOOTBALL COACH

By: _____
DONALD R. BOBBITT
President
University of Arkansas

By: _____
BRET BIELEMA
Head Football Coach, UAF

By: _____
DANIEL E. FERRITOR
Chancellor, UAF

JETHRY R. LONG
Vice Chancellor and Athletics
Director, UAF

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President
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BRET BIELEMA
Head Football Coach, UAF

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Chancellor, UAF

By


Vice Chancellor and Athletics
Director, UAF