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**FIRST AMENDMENT TO
EMPLOYMENT AGREEMENT**

THIS FIRST AMENDMENT TO THE DECEMBER 8, 2014 EMPLOYMENT AGREEMENT ("Employment Agreement") by and between Kansas Athletics, Inc. ("Athletics") and David Beaty ("Head Coach"), referred to from time to time herein as "the parties," is effective as of December 1, 2016.

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, pursuant to the Employment Agreement, Head Coach currently serves, and Athletics desires that he should continue to serve, as the Head Coach for the KU intercollegiate football program; and

WHEREAS, the parties wish to amend the Employment Agreement.

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

1. Section 2 of the Employment Agreement is amended to provide as follows:

2. Term

This Agreement shall be for a term beginning December 8, 2014, and ending December 31, 2021 unless earlier terminated, as set forth herein.

2. Section 4 of the Employment Agreement is amended to provide as follows:

4. Salary

For all services to be performed by Head Coach in his capacity as head football coach, Athletics shall pay Head Coach a salary of \$225,000 per annum, payable in twelve (12) equal monthly installments on the last day of each month during the term of this Agreement. Any future adjustments to the terms of this Agreement shall be agreed upon between the Director and Head Coach prior to further negotiations between the parties' representatives.

3. Section 5 of the Employment Agreement is amended to provide as follows:



5. Incentive Payments

- A. The following incentive payments shall be paid to Head Coach in the event the football team achieves any of the goals corresponding to the amounts indicated:

Each Non-Conference FBS game win	\$50,000
Each BCS/Power 5 game win	\$100,000
Big 12 regular season champion or co-champion	\$100,000
Coaching KU in bowl game (other than bowl games listed below)	\$200,000
Coaching KU and winning a bowl game (other than bowl games listed below)	\$100,000
Coaching KU in the Fiesta Bowl, Rose Bowl, Orange Bowl, Sugar Bowl, Peach Bowl or Cotton Bowl	\$250,000
Coaching KU and winning the Fiesta Bowl, Rose Bowl, Orange Bowl, Sugar Bowl, Peach Bowl or Cotton Bowl	\$500,000
Head Coach named AP National Coach of the Year	\$50,000
Head Coach named Big 12 Coach of the Year	\$50,000

- B. It is the intent of the parties that the amounts set forth in Subsection 5(A) shall be cumulative with each other. For example: if the football team wins two games against non-conference FBS opponents and two games against BCS/Power 5 opponents and the Head Coach is named the Big 12 Coach of the year, Head Coach would receive \$350,000. If the Head Coach wins six games against BCS/Power 5 opponents, two against FBS non-conference opponents and coaches the team in the Fiesta Bowl and wins the Fiesta Bowl, Head Coach would receive \$1,450,000.
- C. In the event this Agreement is terminated pursuant to Section 13 below, Head Coach shall repay to Athletics all Incentive Payments received for any achievement by Head Coach under this section 5 (A) if such achievement is subsequently vacated by KU or by the NCAA, in whole or in part, because of NCAA or Kansas University rules violations committed directly by Head Coach as determined by Athletics, KU, or the NCAA.

4. Sections 7 (A) and 7 (D) of the Employment Agreement are amended to provide as follows:

7. Professional Services

- A. Athletics shall pay to DB Sports LLC ("Contractor") for professional services rendered by Head Coach an income of not less than \$1,375,000

per annum (the "Guaranteed Net Income"), said payments beginning December 1, 2016. Beginning on January 1, 2018 and occurring on each January 1 thereafter, the Guaranteed Net Income pursuant to this section shall increase by \$100,000 each year. Duties under this section may include educational, public relations, and promotional duties as assigned by the Director.

- D. In the event that Head Coach's employment is terminated without cause pursuant to Section 12 of this Agreement, Contractor shall be entitled to a payment under this Section 7 in the total amount of \$2,580,000.00 payable in six equal 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 thereafter; the payments under this Section 7 and under Section 12 shall be considered as Liquidated Damages with no other sums or damages of any kind whatsoever paid by Athletics to Contractor.

- 5. Section 12 of the Employment Agreement is amended to provide as follows:

12. Termination Without Cause

- A. Athletics shall have the right to terminate this Agreement without cause at any time upon written notice to Head Coach. In the event Athletics terminates this Agreement without cause, Athletics, in addition to all amounts due and owing under this Agreement up to the date of termination, shall be liable to Head Coach for a Liquidated Damages total payment of \$420,000.00 payable in six equal installments; other than payments under Section 7 and payments under this Section 12, no other sums or damages of any kind whatsoever shall be paid by Athletics to Head Coach.
- B. The Liquidated Damages above shall be paid to Head Coach in six 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 thereafter.
- C. The parties agree that such Liquidated Damages are in lieu of all other compensation and benefits owed to Head Coach, including annual and sick leave, otherwise owed to Head Coach under any and all other provisions of this Agreement; and further constitute reasonable compensation for losses that Head Coach will incur and are not a penalty.

- 6. Section 15 (B) of the Employment Agreement is amended to provide as follows:

15. Termination by Head Coach

- B. Head Coach recognizes and agrees that his promise to work at Athletics and KU for the entire term of this Agreement is the essence of this Agreement. In the event that Head Coach terminates this Agreement to accept another coaching position at any NCAA member institution or any other coaching or non-coaching positions that may result in termination of his employment with Athletics prior to the expiration of the term of this Agreement, Head Coach shall be responsible to pay, or have paid on his behalf, Liquidated Damages to Athletics in the amount of (1) \$3,000,000 should he terminate this agreement prior to December 31, 2018; (2) the amount of \$2,000,000 should he terminate this agreement between January 1, 2019 and December 31, 2020; or (3) the amount of \$1,000,000 should he terminate this agreement between January 1, 2021 and December 31, 2021. The parties agree that such Liquidated Damages are fair and reasonable compensation for losses that Athletics will incur and are not a penalty, and shall be due and payable within sixty (60) days following Head Coach's termination or resignation or by agreement acceptable to both parties.

7. All other terms of the Employment Agreement shall remain shall remain unmodified by this amendment and in full force and effect.

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

KANSAS ATHLETICS, INC.

DAVID BEATY

By: 
Sheahon Zenger
Title: Director of Athletics

By: 
David Beaty
Title: Head Football Coach

Approved by:



Kyle Strongin
Title: Agent for Head Football Coach

Approved by:


Bernadette Gray-Little

Title: Chancellor, The University of Kansas


James P. Pottorff, Jr.

Title: University General Counsel