

**DEPARTMENT OF INTERCOLLEGIATE ATHLETICS
UNIVERSITY OF WASHINGTON
FIRST ADDENDUM TO EMPLOYMENT CONTRACT**

This First Addendum to Employment Contract (the "First Addendum"), effective November 21, 2022, amends the Employment Contract (the "Agreement") between **Kalen DeBoer** (the "Employee") and the University of Washington (the "University"), which began November 30, 2021. This First Addendum is executed pursuant to the terms of the Agreement.

WHEREAS, Employee and University wish to amend the Agreement to revise Employee's term of employment.

THEREFORE, in consideration of the mutual promises and representations contained herein, the parties agree to the following terms and conditions:

1. Section 3 of the Agreement is hereby amended and restated to read as follows:

Duration. This Agreement shall be for a definite term commencing on **November 30, 2021** and ending on **January 31, 2029** (the "End Date of the Agreement"), unless terminated sooner in accordance with the provisions of this Agreement. For purposes of this Agreement, a "Contract Year" shall be defined as that period from each February 1 to the next following January 31; moreover, the "First Contract Year" shall be defined as that period from November 30, 2021, to January 31, 2023.

2. Section 4 a. – d. of the Agreement is hereby amended and restated to read as follows:

Compensation and Benefits. In consideration for the promises Employee have made in entering into this Agreement, the Employee shall each be entitled to the forms of compensation set forth below. The University and Employee agree to engage in meaningful discussion to review conference and national head coach market compensation no less than every other year.

Unless specifically excluded by law, all compensation paid directly to Employee shall be includible in Employee's gross income and subject to normal deductions for state, local, and federal taxes and any retirement or other benefits in which the Employee is entitled to participate.

The compensation and benefits due to Employee shall be as follows:

- a. **Base Salary.** Beginning on November 30, 2021, Employee's base salary shall be **\$258,334 per month (annual equivalent \$3,100,008)** (the "Base Salary"). Beginning on March 1, 2022, Employee's Base Salary shall be **\$58,334 per month (annual equivalent: \$700,008)**. Contemporaneous with the decrease in Base Salary on March 1, 2022, Employee will receive additional compensation beginning on March 1, 2022, as detailed in section 4.b. for duties and services outlined therein.

Beginning on February 1, 2023, Employee's Base Salary shall be **\$150,000 per month (annual equivalent \$1,800,000)**. Employee's annual Base Salary will be increased by

\$100,000, on February 1, of each contract year starting on February 1, 2024. The University shall have the right to increase the Employee's Base Salary at such time and in such amounts as it deems appropriate. In accordance with the terms of this Agreement, the University shall not decrease Employee's Base Salary without written mutual agreement of the Parties. Compensation shall be paid in accordance with established University and state of Washington payroll procedures.

- b. Additional Compensation.** Employee will receive additional compensation of **\$200,000 per month (annual equivalent \$2,400,000)** beginning March 1, 2022, during the term of the Agreement, as compensation for other services at the request of the University as part of his duties and responsibilities as the Head Coach, including, but not limited to (1) satisfying any obligation under an agreement between University and any University or Department sponsor and/or apparel provider as specified by the Director; (2) providing advice, strategies, and leadership training to Department coaching and administrative staff; and (3) consulting with Department on the design and performance of football program equipment and apparel ("Additional Compensation").
- c. Tax Withholding and Indemnity.** As an employee, compensation paid to Employee under Section 4., shall be treated as wage income included in Employee's gross income and subject to normal deductions and withholdings for state, local, and federal taxes and contributions for retirement and other benefit plans in which Employee is enrolled.
- d. Performance Incentives.** Employee may earn the performance incentives described in this Section 4.d.
- (1) General Rules. The following general rules shall apply to all performance incentives described in this Section 4.d.
- (i) In the event there are any discrepancies, ambiguities, or questions regarding Employee's right or ability to earn a performance incentive, the determination shall be made by the Director and shall be within the Director's sole and reasonable discretion.
- (ii) In order to earn a performance incentive Employee must still be a University Employee at the time the post-season competition takes place. In the event that a post-season competition that the University has been selected to participate in is cancelled or unable to take place due to circumstances beyond the control of the Employee, payment of the performance incentive will be determined by the Director and shall be within the Director's sole and reasonable discretion. In order to earn an academic achievement incentive, Employee must still be a University employee at the time the University determines the academic achievements have been met.
- (iii) Academic incentive payments shall be made one month after they are determined by the University and post season incentives shall be paid one month after the post season competition takes place.
- (2) Performance incentives. Employee may earn the following University of Washington football team performance incentives.
- (i) Academic Achievement. Employee shall earn the incentive if the football Academic Progress Rate (as defined by the NCAA and calculated using only the academic years during which Employee was employed at the University) is as follows:
- \$50,000 if the APR is greater than or equal to 950, or

- \$75,000 if the APR is greater than or equal to 960, or
- \$125,000 if the APR is greater than or equal to 970

If at any time during the term of this Agreement the Academic Progress Rate scale or measurement is materially changed, and/or is no longer an appropriate measure of Academic Achievement, the Parties will negotiate a mutually agreed upon revision of this section which provide a comparable opportunity to earn an Academic Achievement bonus.

(ii) Athletic Achievement for Pac-12 Conference championship

- \$50,000 for a Pac-12 championship game appearance, and
- \$100,000 for a Pac-12 championship game win

(iii) Non-CFP Bowl Games.

- As to any Bowl Game, excluding any CFP Selection Committee Bowl Games (New Years 6), you shall receive additional compensation in the amount of \$75,000, payable one (1) month after the game is played.

(iv) CFP Selection Committee Bowl Games (New Years 6).

- As to any bowl game that is part of the CFP Selection Committee selection process (also known as the New Years 6 Bowl Games), you shall receive additional compensation one (1) month after the game is played or the champion named as follows: (cumulative)
 - \$300,000 in the event the Team is selected to appear in a Selection Committee/New Years 6 Bowl Game, and
 - \$100,000 in the event the Team is selected to appear in a College Football Playoff Semi-Final Game, and
 - \$450,000 in the event the Team appears in the College Football Championship Game, and
 - \$50,000 in the event the Team wins the College Football Championship game.

(v) Coach of the Year.

- If Employee is selected as the Pac-12 Coach of the Year (by coaches or media poll), Employee will receive **\$25,000** in additional compensation. If Employee is selected as the NCAA National Coach of the Year (by any accredited agency), Employee shall receive **\$50,000** in additional compensation.

You shall only be entitled to receive payments detailed under this Section if you remain the Head Football Coach when the specified game is played or at the close of the period for which the APR was determined, as applicable.

If at any time during the term of this Agreement the College Football Playoff structure is materially changed, and/or is no longer conducted as described in section 4.d.2(iv), the Parties will negotiate a mutually agreed upon revision of this section.

3. Section 4 k. is hereby added to the Agreement and stated to read as follows:

Longevity Payment. The Parties acknowledge that the Employee's skills and experience as a coach creates a demand for his services and that his long-term commitment to the University is important. In the event Employee remains in the position of **Head Football Coach** through March 15, 2024, University shall, within thirty (30) days from March 15, 2024, make a one-time payment of \$500,000 to Employee. In the event Employee remains in the position of **Head Football Coach** through March 15, 2026, University shall, within thirty (30) days from March 15, 2026, make a one-time payment of \$500,000 to Employee. In the event Employee remains in the position of **Head Football Coach** through March 15, 2028, University shall, within thirty (30) days from March 15, 2028, make a one-time payment of \$1,000,000 to Employee.

4. Section 9 of the Agreement is hereby amended and restated to read as follows:

Termination by Employee. Employee recognizes Employee has been hired to use unique talents for a specialized position, and Employee's promise to work for the duration of the Agreement is essential to the purpose of this Agreement. The Parties acknowledge University is making a very substantial investment in Employee's continued employment by entering into a multi-year contract, and the value of this multi-year contract is significantly higher than University would have offered for a one-year contract. The Parties also recognize stability is an integral component of developing a long-term successful athletic program, and the relationships Employee forms and the value of Employee's personal services will be irreplaceable by University. The Parties are familiar with the operations of NCAA Division I athletic programs and University's program, in particular, and they understand the economic and non-economic losses University would incur if Employee were not to fulfill the term of this Agreement. Such damages are difficult to quantify, and the true damages caused by Employee's breach may not be fully known for years to come.

In light of these considerations, the Parties agree that in the event Employee terminates employment at the University or terminates this Agreement prior to the End Date of the Agreement, to take any football coaching position in a NCAA Division I program or in any level of professional football, Employee will pay or cause to be paid to the University, liquidated damages according to the following schedule:

<u>Termination on or before</u>	<u>Amount Owed:</u>
January 31, 2025	\$12,000,000
January 31, 2026	\$10,000,000
January 31, 2027	\$7,000,000
January 31, 2028	\$2,500,000

The Parties agree the payment described above is their reasonable attempt to quantify the economic and non-economic losses to University, and it is not a penalty. The payment shall be made within 60 days of Employee's termination of Employee's employment at University or of this Agreement prior to the End Date of the Agreement. University agrees

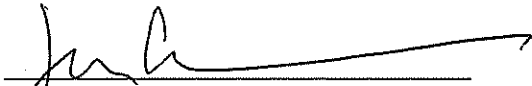
to accept the payment as its sole and exclusive remedy in the event Employee terminates employment at the University or terminates this Agreement prior to the End Date of the Agreement, and to forego all other remedies, including actual damages and injunctive relief. University acknowledges that Employee shall be entitled to receive all compensation and benefits set forth in sections 4. as applicable, earned on a pro-rata basis to the date of termination.

- 5. Unless specifically changed by this First Addendum, all terms set forth in the Agreement dated November 30, 2021, remain in full force and effect.

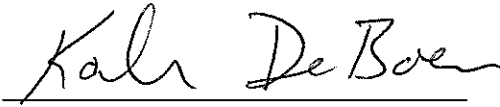
IN WITNESS WHEREOF, the Parties have executed this Addendum to be effective as of the date first written above.

UNIVERSITY OF WASHINGTON

EMPLOYEE



Jennifer Cohen
Director of Intercollegiate Athletics



Kalen DeBoer
Head Football Coach

DocuSigned by:

Ana Mari Cauce

11/22/2022

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Ana Mari Cauce
President, University of Washington

Approved as to Form:

DocuSigned by:



11/21/2022

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James Buder
Assistant Attorney General