

UNITED STATES AIR FORCE ACADEMY ATHLETIC ASSOCIATION
COACHING CONTRACT # _____

THIS CONTRACT, made and entered into by and between the Air Force Academy Athletic Association, U.S. Air Force Academy, Colorado 80840-9500 (a nonappropriated fund instrumentality (NAFI), hereafter referred to as the "AFAAA") and Troy Calhoun, (b)(6) (hereafter called the Contractor) shall commence on 1 January 2009 and terminate on 31 Dec 2013.

WITNESS that:

WHEREAS the parties hereto desire to contract for Head Football Coach, as more particularly described in Appendix A.

NOW THEREFORE, in consideration of mutual covenants and agreements between the parties hereto, it is agreed as follows:

1. Performance of Service. The Contractor agrees to perform services at prices set forth in Appendix A. The AFAAA will not be liable for any costs incurred by the Contractor other than those specified in Appendix A.
2. Payments. In consideration for the services to be rendered, the AFAAA agrees to pay the Contractor the amount specified in Appendix A. The rate to be paid the Contractor under the terms of this contract shall not exceed the amount stipulated in Appendix A, unless otherwise specified by a modification or addendum to this contract. This contract is solely the obligation of the AFAAA and the Contractor and is not an obligation of appropriated funds by the U. S. Government. When authorized by the AFAAA, the Contractor will be paid per diem for each day the Contractor is in travel status and such other travel expenses as may be approved by the AFAAA.
3. No Employer-Employee Relationship. It is understood that this contract does not create an employer/employee relationship and is not subject to Air Force Nonappropriated Fund (NAF) rules, regulations, and policies governing NAF employment.
4. Licenses, Taxes, Permits, and Fees. The Contractor is fully cognizant that this is a contract for professional services and that an employer-employee relationship does not exist between the Contractor and the AFAAA. Therefore, it is the Contractor's responsibility to obtain, at his/her own expense, all licenses and permits and to pay taxes and fees as may be required of the Contractor by the federal, state and local governments in the execution of this contract.
5. Hold and Seve Harmless. The Contractor agrees to indemnify, save harmless, and defend the AFAAA from and against any and all claims, demands, actions, debts, liabilities, and attorney's fees arising out of, claimed on account of, or in any manner predicated upon loss of or damage to the property of, and injuries to or death of any and all persons or entities (including AFAAA) whatsoever, in any manner caused, or contributed to by the negligence of or intentional acts of the Contractor, his or her agents, servants or employees.
6. Obligation on the Part of the Contractor. During the term of the contract, the Contractor shall ensure that his/her contract obligations are completed in full without interference from commitments to organizations other than the AFAAA.
7. Information Security. The Contractor agrees that any information received in the course of this contract concerning the business or activities of the AFAAA shall be kept in the strictest confidence for the sole benefit of the AFAAA. In the absence of authority from the AFAAA, the Contractor will not divulge or publish such information either during or subsequent to the contract, provided that this restriction shall not apply to information which could only be advantageous to and in the best interest of the AFAAA to divulge.

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8. Termination. The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the AFAAA; e.g. the liquidation of the AFAAA. If this contract is for supplies and is so terminated, the Contractor shall be compensated in accordance with FAR, Sub Parts 49.1 and 49.2 in effect on this contract's date. To the extent that this contract is for services and is so terminated, the AFAAA shall be liable only for payment in accordance with the payment provisions of this contract for services rendered prior to the effective date of termination, providing there are no Contractor claims covering nonrecurring costs for capital investment. If there are any such Contractor claims, they shall be settled in accordance with FAR, Sub Parts 49.1 and 49.2. The rights and remedies of the AFAAA in this clause are in addition to any other rights and remedies provided by law or under this contract.

9. Legal Status. The NAFI is an integral part of the Department of Defense and is an instrumentality of the United States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States.

10. Termination by Mutual Agreement. This contract may be terminated by Contractor upon terms mutually agreed upon. Additionally, unless compelling circumstances are present, AFAAA will not agree to less than 60 days notice of termination. Unless otherwise stated in any termination agreement, termination will be without prejudice to any cause of action which either party may have arising out of breach of this contract occurring prior to such termination. Unless otherwise stated in any termination agreement, payments and benefits under the contract will be prorated as of the date of termination and all parties shall be relieved of any further obligations. If the Contractor vacates this position without giving notice of termination and, therefore, without agreement by AFAAA to termination terms, Contractor hereby agrees to any reasonable termination terms that AFAAA may impose.

11. Termination for Cause. The AFAAA may terminate this contract, in whole or in part, for cause should the Contractor fail to adequately perform any material provision of this contract or violate any major rules or regulations of the National Collegiate Athletic Association, as contained in the NCAA manual, or act in any way which may result in unreasonable embarrassment to either the Air Force or the AFAAA. In the event this contract is terminated for cause, the rights and obligations of the parties hereunder shall cease on the date of the written notice. The rights and remedies of the AFAAA in this clause are in addition to any other rights and remedies provided by law or under this contract.

12. Disputes. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall issue a decision in writing and mail or otherwise furnish a copy of it to the Contractor. Within 90 days from the date of receipt of such copy, the Contractor may appeal by mailing or otherwise furnishing to the Contracting Officer a written appeal addressed to the Armed Services Board of Contract Appeals, and the decision of the Board shall be the AFAAA's final and conclusive decision; provided that if no such appeal is filed, the decision of the Contracting Officer shall be the AFAAA's final and conclusive decision. Nothing in this Clause shall be read to preclude Contractor from seeking redress at law for a violation of this Agreement by the AFAAA.

13. Examination of Records. a. This clause is applicable if the amount of this contract exceeds \$10,000 and the contract was entered into by means of negotiation. The Contractor agrees that the AFAAA Athletic Director or his duly authorized representative shall have the right to examine and audit the books and records of the Contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract. b. The Contractor agrees to include the clause in "a" above in all subcontracts hereunder which exceed \$10,000.

14. Equal Opportunity. The Equal Opportunity Clause found in Federal Acquisition Regulation 52.222-26 is incorporated by reference into this contract and has full force and effect.

15. Compliance with Rules & Regulations. The Contractor agrees to fully comply with all applicable rules established by the National Collegiate Athletic Association (NCAA). Additionally, the Contractor, unless specified by written authorization, shall not act as an agent of the AFAAA nor have authority to bind the AFAAA on any contract for procurement of equipment, supplies, or services, nor any authority to obligate the AFAAA, its funds, officers, or

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members on any matter with any person. Unauthorized representation of authority by the Contractor causing third parties to rely thereon shall be, if obligation results, solely the obligation of the Contractor in his/her individual capacity, and not the obligation of the AFAAA.

16. Liquidated Damages. Because the estimate of loss is imprecise and in an attempt to agree in advance as to the reasonable damages to be incurred by the parties in the event of termination of this contract, the parties agree as follows:

(a) If the Government exercises its right to Terminate for Convenience under Clause 8 above, the parties agree that the AFAAA will pay liquidated damages in an amount equal to ONE HUNDRED PERCENT (100%) (the "Guarantee") of the remaining payments set forth in Appendix A of this Agreement. Payments shall continue under the payment schedule set forth in the contract through the end of the five year term of this agreement. In exchange for these payments, the AFAAA shall not be liable to Contractor for any other benefits, perquisites or any collateral business opportunities, outside income revenues or guarantees or other benefits associated with Contractor's position as head football coach.

(b) If the Contractor exercises the right to terminate this Agreement in order to accept another football coaching position, the Contractor shall submit notice of intent to terminate under Clause 10, Mutual Agreement, and the AFAAA agrees to accept that notice of intent subject to payment by the Contractor of TWENTY-FIVE PERCENT (25%) of the remaining payments set forth in Appendix A of this Agreement. This payment by the Contractor to the AFAAA is in lieu of any and all other legal remedies or equitable relief available to the AFAAA and is without regard to any mitigation of damages that may occur as a result of the AFAAA hiring a new head football coach. It is agreed that Contractor shall pay these liquidated damages in one lump sum within thirty (30) days after the effective date of termination.

(c) The parties acknowledge that they have bargained for and agreed to the foregoing Liquidated Damages provisions, giving consideration to the fact that termination of this contract prior to its natural expiration may cause the AFAAA to lose unspecified athletics revenue and financial opportunities related to Contractor's services under the Agreement, and to incur imprecise costs and expenses. All other obligations not set forth above shall cease effective the date of the termination by either party.

17. Athletically Related Income. The Contractor shall not engage in any athletically related income producing activities and/or receive athletically related benefits from sources outside the AFAAA without the prior written approval of the Superintendent. Approval normally will not be withheld except for reasons of propriety or probable adverse publicity which would unfavorably reflect directly or indirectly upon the AFAAA or the Air Force. Prior written approval will be obtained for the following types of benefits/income:

- (a) Income from annuities;
- (b) Sports camps;
- (c) Housing benefits (including preferential housing arrangements);
- (d) Country club memberships;
- (e) Complimentary ticket sales;
- (f) Television and radio programs;
- (g) Endorsement or consultation contracts with athletic shoe, apparel or equipment manufacturers; and,
- (h) Other athletically related income/benefits.

18. Inspection and Acceptance. The AFAAA is responsible for performing inspection and acceptance of services rendered, including inspection of any records maintained by the Contractor in performing the required work.

19. Changes or Additions. Any changes or additions to this contract shall be mutually agreed upon by the Contractor and the Contracting Officer.

20. Approval of Contract. This contract shall become effective when signed by the Contracting Officer and Contractor.

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