

4.06: Retirement Plan.

(a) Plan; Contributions by University. The University agrees to provide to Coach benefits under one or more tax-deferred retirement plans (the "Plan") developed in consultation with Coach as long as such Plan is allowable under the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder. Coach shall have the right to select the financial institution with which the Plan shall be established. The University will make the following contributions to the Plan provided that Coach is then employed by the University as the Head Football Coach:

- (1) On or before December 31, 2008 -- \$250,000
- (2) On or before December 31, 2009 -- \$250,000
- (3) On or before December 31, 2010 -- \$250,000
- (4) On or before December 31, 2011 -- \$250,000

(b) Coach's Right to Plan Benefits. On December 31, 2011, if Coach is then employed by the University as the Head Football Coach, Coach shall be vested in the Plan and entitled to the benefits thereof, subject to the terms and conditions of the Plan defining the benefits thereof. Prior to such date, Coach shall not have any rights whatsoever to the benefits provided pursuant to this Paragraph 4.06 except as provided under Paragraph 12.02(a) hereof.

(c) Tax Consequences. The University makes no assurance or representation regarding the tax consequences of participating in the Plan. Coach shall have sole responsibility for any taxes associated with the benefits earned by him under the Plan, and the Plan shall be subject to the applicable provisions of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

2. **Termination by University for Cause.** Paragraph 12.01(c) of the Employment Agreement is hereby amended to include the following provision regarding Coach's waiver and forfeiture of any and all rights to the Retirement Plan in the event the University terminates the Employment Agreement for cause:

Further, in the event this Employment Agreement is terminated for cause, Coach shall waive and forfeit any and all rights to the Plan created pursuant to Paragraph 4.06 herein and the benefits provided thereunder to the extent Coach has not vested in such Plan as of the effective date of termination.

3. **Termination by University Without Cause.** Paragraph 12.02(a) of the Employment Agreement is hereby amended to include the following provision as an additional element of liquidated damages to be paid to Coach in the event the University terminates the Employment Agreement without cause:

An amount equal to the then current balance (including earnings, if any) in the Plan referred to in Paragraph 4.06 herein on the effective date of termination, or,

in the alternative, the University may transfer ownership of the Plan to Coach; provided, however, it is understood that the University shall have no obligation to make contributions to the Plan after the effective date of termination.

4. **Termination by Coach.** Paragraph 12.03(c) of the Employment Agreement is hereby amended to include the following provision regarding Coach's waiver and forfeiture of any and all rights to the Retirement Plan in the event Coach terminates the Employment Agreement:

Further, if Coach terminates this Employment Agreement prior to its expiration date, irrespective of whether Coach accepts another coaching position, Coach shall waive and forfeit any and all rights to the Plan created pursuant to Paragraph 4.06 herein and the benefits provided thereunder to the extent Coach has not vested in such Plan as of the effective date of termination.

5. **Effective Date.** This Amendment #3 to Employment Agreement shall be effective upon approval by the Executive Committee of the University of South Carolina Board of Trustees and upon the execution by both parties hereto.

6. **Full Force and Effect of Employment Agreement.** All other terms, conditions and provisions set forth in the Employment Agreement not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment #3 to Employment Agreement on the dates below indicated.

UNIVERSITY OF SOUTH CAROLINA

COACH

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees

By: _____
Stephen O. Spurrier
Head Football Coach

Date: _____

Date: _____

And: _____
Eric C. Hyman
Director of Athletics

Date: _____

**APPROVED BY THE EXECUTIVE COMMITTEE OF THE UNIVERSITY OF SOUTH
CAROLINA BOARD OF TRUSTEES ON BEHALF OF THE BOARD OF TRUSTEES
ON _____, 2008.**

**By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees**

IN WITNESS WHEREOF, the parties have executed this Modification of Amendment #2 to Employment Agreement on the dates below indicated.

UNIVERSITY OF SOUTH CAROLINA

COACH

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees

By: _____
Stephen O. Spurrier
Head Football Coach

Date: _____

Date: _____

And: _____
Eric C. Hyman
Director of Athletics

Date: _____

APPROVED BY THE EXECUTIVE COMMITTEE OF THE UNIVERSITY OF SOUTH CAROLINA BOARD OF TRUSTEES ON BEHALF OF THE BOARD OF TRUSTEES ON JULY 17, 2007.

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees

2. **Annual Guaranteed Compensation Increases.**

Paragraph 4.03 of the Employment Agreement entitled “Annual Guaranteed Compensation Increases” is hereby deleted in its entirety.

3. **Incentive-Based Supplemental Compensation.**

Paragraph 4.05 of the Employment Agreement is hereby amended to include the following:

(j) The sum of Fifty Thousand Dollars (\$50,000) in any year that the football team wins nine (9) games in the regular season and post-season, or the sum of One Hundred Thousand Dollars (\$100,000) in any year that the football team wins ten (10) or more games in the regular season and post-season.

4. **Television and Radio Shows; Commercial Endorsements; Athletics Shoes, Equipment and Coaching Apparel.**

Paragraphs 10.02 and 10.03 of the Employment Agreement are hereby amended and replaced, in their entirety, as follows:

10.02: **Television and Radio Shows; Commercial Endorsements; Athletics Shoes, Equipment and Coaching Apparel.**

(a) **Television and Radio Shows.** The University reserves the exclusive right to produce and market or contract for the production and marketing of television and radio shows in connection with the football program. In the event the University exercises such right, Coach agrees to appear on and make reasonable efforts to make successful such television and radio shows. The University or other producer of such shows shall, by separate agreement, pay Coach compensation for his services as set forth in Paragraph 10.02(e) herein. The University shall have no responsibility for amounts due and owing by producers other than the University except as set forth in Paragraph 10.02(e) herein. The University shall own all rights in and to the programs.

(b) **Commercial Endorsements.** The University reserves the exclusive right to market or contract for the marketing of Coach’s services to promote commercial endorsements in connection with his position as Head Football Coach and Coach shall not otherwise engage in such commercial endorsements. The parties agree that such commercial endorsements shall be mutually agreed upon; provided, however, that subject to the provisions of Paragraph 10.02(d) herein, Coach shall not unreasonably refuse to make such commercial endorsements. The University or other marketing company shall, by separate agreement, pay

Coach compensation for his services as set forth in Paragraph 10.02(e) herein. The University shall have no responsibility for amounts due and owing by marketing companies other than the University except as set forth in Paragraph 10.02(e) herein.

(c) Name and Likeness. Coach hereby grants the University permission to use Coach's name and likeness during the term of this Employment Agreement in connection with the activities described in Paragraph 10.02(a) and Paragraph 10.02(b). This permission will terminate or expire upon the termination or expiration of this Employment Agreement except as otherwise set forth in this Employment Agreement. The University agrees that Coach is and will remain the sole and exclusive owner of his name and likeness and all proprietary and potentially proprietary rights relating thereto except as otherwise set forth in this Employment Agreement.

(d) Athletics Shoes, Equipment and Coaching Apparel. The University reserves the exclusive right to select, in consultation with Coach, and to contract with athletics shoe and equipment, and coaching apparel manufacturers regarding the athletics shoes and equipment that the football team will wear and utilize during practice and competition, and the coaching apparel that Coach and his staff will wear, promote and endorse during practice, competition or otherwise while representing the University. Coach agrees that he and his staff will honor such decisions by the University and will wear in practice, games and during official University appearances the product(s) selected by the University. Coach further agrees that he and his staff will not endorse or promote any product that is in direct competition with the manufacturer(s) selected by the University. By separate agreement between the manufacturer(s) selected by the University and Coach, the selected manufacturer(s) shall pay Coach mutually agreed upon compensation for his promotion, endorsement and use of such athletics shoes and equipment, and coaching apparel as set forth in Paragraph 10.02(e). The University shall have no responsibility for amounts due and owing by marketing companies other than the University except as set forth in Paragraph 10.02(e) herein.

(e) Compensation.

(1) Coach shall receive the total sum of One Million Four Hundred Ninety Two Thousand Five Hundred Dollars (\$1,492,500.00) in each contract year (January 1st – December 31st) Coach is employed under this Employment Agreement, or a pro rata amount thereof for any partial contract year Coach is employed under this Employment Agreement, for his services in connection with television and radio shows, commercial endorsements, athletics shoes, equipment and coaching apparel, collectively, as set forth in Paragraphs 10.02(a) – 10.02(d) herein. Payment shall be made in equal quarterly installments of Three Hundred

Seventy Three Thousand One Hundred Twenty Five Dollars (\$373,125.00) on July 1, October 1, January 1, and April 1 during the term of this Employment Agreement beginning on the effective date hereof.

(2) In the event Coach does not receive Three Hundred Seventy Three Thousand One Hundred Twenty Five Dollars (\$373,125.00) in any quarter of a contract year (January 1st – December 31st) he is employed under this Employment Agreement beginning on the effective date hereof, or a pro rata amount thereof for any partial period Coach is employed under this Employment Agreement, directly from outside rights holders, collectively, selected by the University for his services in connection with television and radio shows, commercial endorsements, athletics shoes, equipment and coaching apparel, the University agrees to pay Coach on the payment date set forth in Paragraph 10.02(e)(1) above the difference between the amount received by Coach from such outside rights holders, collectively, and Three Hundred Seventy Three Thousand One Hundred Twenty Five Dollars (\$373,125.00), or a pro rata amount thereof for any partial period Coach is employed under this Employment Agreement. It is understood that any such payment from outside rights holders or the University shall not be considered to be part of Coach's base salary as set forth in Paragraph 4.01 herein.

5. **Termination by University Without Cause.**

Paragraph 12.02(a) of the Employment Agreement is hereby amended and replaced, in its entirety, as follows:

The University shall have the right to terminate this Employment Agreement, including any extensions hereto, prior to its expiration date, without cause, upon fifteen (15) days written notice to Coach. In such event, the University shall pay to Coach, in lieu of any and all other legal remedies or equitable relief available to Coach and without regard to any compensation Coach may earn in mitigating his damages, liquidated damages in the sum of Five Hundred Thousand Dollars (\$500,000) per year for the remaining term of this Employment Agreement, including a pro-rata amount for any partial year. It is agreed that the University shall pay such liquidated damages in lump sum within ninety (90) days following the effective date of termination. In addition, the University shall pay Coach any incentive-based supplemental compensation earned by Coach pursuant to Paragraph 4.05 herein through the effective date of termination, and any payments by the University pursuant to Paragraph 10.02(e) herein necessary to ensure that Coach receives a pro rata share of any compensation due to him for television and radio, endorsements, athletics shoes, equipment and coaching apparel, through the effective date of termination.

6. **Termination by Coach.**

Paragraph 12.03(a) of the Employment Agreement is hereby amended and replaced, in its entirety, as follows:

Coach shall have the right to terminate this Employment Agreement, including any extensions hereto, prior to its expiration date, upon fifteen (15) days written notice to the University. In such event, if Coach accepts another coaching position at any time during the remaining term of this Employment Agreement as set forth in Paragraph 3 herein, then Coach shall pay to the University, in lieu of any and all other legal remedies or equitable relief available to the University, and without regard to actions by the University to mitigate its damages, liquidated damages in the sum of Five Hundred Thousand Dollars (\$500,000) per year for the remaining term of this Employment Agreement, including a pro-rata amount for any partial year. It is agreed that Coach shall pay such liquidated damages in lump sum within ninety (90) days following the effective date of termination.

Paragraph 12.03(c) of the Employment Agreement is hereby amended and replaced, in its entirety, as follows:

Notwithstanding Coach's obligation to pay liquidated damages as set forth in Paragraph 12.03(a) herein, the University shall pay Coach his base salary as set forth in Paragraph 4.01 herein until the effective date of termination, as well as any incentive-based supplemental compensation earned by Coach pursuant to Paragraph 4.05 herein through the effective date of termination, and any payment by the University pursuant to Paragraph 10.02(e) herein necessary to ensure that Coach receives a pro rata share of any compensation due to him for television and radio, commercial endorsements, athletics shoes, equipment and coaching apparel, through the effective date of termination.

7. **Effective Date.**

This Amendment #2 to Employment Agreement shall be effective July 1, 2007 and upon approval by the Executive Committee of the University of South Carolina Board of Trustees.

8. **Full Force and Effect of Employment Agreement.**

All other terms, conditions and provisions set forth in the Employment Agreement not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment #2 to Employment Agreement on the dates below indicated.

UNIVERSITY OF SOUTH CAROLINA

COACH

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees

By: _____
Stephen O. Spurrier
Head Football Coach

Date: _____

Date: _____

And: _____
Eric C. Hyman
Director of Athletics

Date: _____

APPROVED BY THE EXECUTIVE COMMITTEE OF THE UNIVERSITY OF SOUTH CAROLINA BOARD OF TRUSTEES ON BEHALF OF THE BOARD OF TRUSTEES ON DECEMBER 2, 2006.

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees

UNIVERSITY OF SOUTH CAROLINA

EMPLOYEE

By: _____

Thomas L. Stepp, Secretary
USC Board of Trustees

By: _____

Stephen O. Spurrier
Head Football Coach

Date: _____

Date: _____

And: _____

Eric C. Hyman
Director of Athletics

Date: _____

APPROVED BY THE EXECUTIVE COMMITTEE OF THE UNIVERSITY OF SOUTH CAROLINA BOARD OF TRUSTEES ON BEHALF OF THE BOARD OF TRUSTEES ON FEBRUARY 23, 2006.

By: _____

**Thomas L. Stepp, Secretary
USC Board of Trustees**

member of his coaching staff, a representative of the University's athletics interests, or any other person, he shall report the same promptly to the Athletics Director and the NCAA Compliance Coordinator.

2.03: Coach agrees that to the best of his ability, all academic standards, requirements and policies of the University shall be observed by Coach and members of his coaching staff at all times and shall not be compromised. Recognizing that the education of student-athletes is of primary importance, Coach agrees to use his best efforts, working in cooperation with and support of the University's faculty and administrative officials, to ensure that student-athletes in the football program are provided proper academic counseling and are encouraged to and given every opportunity to meet the degree requirements necessary to graduate from the University.

2.04: Coach shall, in consultation with the Athletics Director, be responsible for performing all duties and responsibilities normally attendant to the position of Head Football Coach, including but not limited to: evaluating, recruiting, training and coaching student-athletes to compete against major college competition; operating a quality football program; preparing the football program's budget and operating the program in a fiscally sound manner consistent with the approved budget; coordinating the scheduling of football games; and recommending the employment of assistant coaches.

2.05: Coach shall supervise assistant coaches, student-athletes and other individuals under his supervision so as to maintain strict compliance with NCAA and SEC Legislation, and the rules and regulations of the University.

2.06: Coach agrees to support the Athletic Department's Wellness Program.

2.07: Coach shall engage in appropriate contact with media, alumni and civic groups, including regular Gamecock Club appearances, provided such activities do not interfere with the full and complete performance by Coach of his coaching and recruiting responsibilities. The University agrees to consult with and obtain the consent of Coach before scheduling appearances or other obligations under this Paragraph 2.07, which consent shall not be unreasonably withheld, and to ensure that the number of such appearances is not unreasonable or unduly burdensome.

2.08: Coach shall submit annually to the Athletics Director within thirty (30) days of the football team's last regularly scheduled or post-season game a report on the condition of the football program. The report shall contain an evaluation of Coach's coaching staff and student-athletes, and such additional information as may be required by the Athletics Director.

3. **Term of Employment.**

The term of this Employment Agreement shall be for a period of approximately seven (7) years beginning November 23, 2004, and ending without further notice

December 31, 2011, subject to earlier termination in accordance with the provisions of Paragraphs 11 and 12 herein.

4. **Compensation and Standard Fringe Benefits.**

4.01: Base Salary.

Coach shall be paid an annual base salary of Two Hundred Fifty Thousand Dollars (\$250,000). Coach's base salary shall be paid in twenty-four (24) equal installments in accordance with customary University payroll procedures. Coach's base salary shall be subject to normal deductions and withholdings for state and federal taxes, FICA, and for any retirement or other benefits to which Coach is entitled or in which he participates.

4.02: Annual Base Salary Increases (Merit).

Coach shall be eligible for consideration for merit increases to his base salary based on performance evaluations conducted by the Athletics Director on not less than an annual basis. These evaluations will take into account prior evaluations and the expectations and goals set for Coach by the Athletics Director. The amount of any merit increase, if any, shall be determined by the Athletics Director in consultation with the President.

4.03: Annual Guaranteed Compensation Increases.

Coach's annual guaranteed compensation shall increase as follows:

(a) If the football team wins eight (8) games in the regular season and post-season, Coach's annual guaranteed compensation shall increase by the sum of Fifty Thousand (\$50,000) Dollars; or

(b) If the football team wins nine (9) or more games in the regular season and post-season, Coach's annual guaranteed compensation shall increase by the sum of One Hundred Thousand (\$100,000) Dollars.

Any increase earned by Coach pursuant to Paragraph 4.03 herein shall be paid by the University to Coach on or before July 1st of the contract year (January 1 – December 31) following the football season in which such increase is earned, and each contract year thereafter.

4.04: Standard Fringe Benefits.

Coach shall be entitled to participate in the following fringe benefit programs which are afforded to all unclassified University personnel, including annual leave, sick leave, group health insurance, group life insurance, and the State's retirement program. If any benefit is based in whole or in part upon salary paid to Coach, such

consideration shall be made based exclusively upon Coach's base salary as set forth in Paragraph 4.01 herein, including merit increases, if any.

4.05: Incentive-Based Supplemental Compensation.

Coach shall receive the following incentive-based supplemental compensation from the University during the term of this Employment Agreement:

(a) The sum of One Hundred Thousand Dollars (\$100,000) in any year that the football team wins the SEC Eastern Division regular season championship.

(b) The sum of One Hundred Fifty Thousand Dollars (\$150,000) in any year that the football team wins the SEC Championship game.

(c) The sum of One Hundred Thousand Dollars (\$100,000) in any year that the football team participates in a post-season Bowl Championship Series game.

(d) The sum of One Hundred Fifty Thousand Dollars (\$150,000) in any year that the football team participates in the post-season Bowl Championship Series National Championship game.

(e) The sum of Two Hundred Fifty Thousand Dollars (\$250,000) in any year that the football team wins the post-season Bowl Championship Series National Championship game.

(f) The sum of One Hundred Thousand Dollars (\$100,000) in any year that the football team participates in a post-season bowl game that occurs on January 1st or later, other than a Bowl Championship Series game.

(g) The sum of Fifty Thousand Dollars (\$50,000) in any year that the football team participates in a post-season bowl game that occurs on December 31st or earlier, other than a Bowl Championship Series game.

(h) The sum of Fifty Thousand Dollars (\$50,000) in any year Coach is named SEC Coach of the Year as selected by SEC coaches.

(i) The sum of One Hundred Thousand Dollars (\$100,000) in any year Coach is named National Coach of the Year as selected by the American Football Coaches Association.

Any supplemental compensation due under this Paragraph 4.05 shall be paid by the University to Coach within forty-five (45) days after the conclusion of the football team's final game in such football season.

5. **Insurance.**

5.01: Life Insurance. During the term of this Employment Agreement, the University shall pay the premiums necessary to provide Coach with life insurance benefits totaling Two Million Dollars (\$2,000,000). Coach shall have the sole and exclusive right to designate any beneficiary.

5.02: Disability Insurance. During the term of this Employment Agreement, the University shall pay the premiums necessary to provide Coach with disability insurance income totaling Two Hundred Fifty Thousand Dollars (\$250,000) annually until Coach reaches the age of 65.

6. **Automobiles.**

The University shall make appropriate arrangements for and provide to Coach on a loan basis two (2) full-size automobiles for his use during the term of this Employment Agreement, the type and model of the vehicles to be determined by the University. Reasonable and ordinary maintenance of the vehicles, taxes (as related to the business use of the vehicles), and appropriate liability and comprehensive automobile insurance covering the use and operation of the vehicles shall be provided by the University during the term of this Employment Agreement.

7. **Club Memberships.**

The University shall pay Coach's membership fees, monthly dues, and related assessments (excluding food, beverages, and related charges) in two (2) country clubs (one of which shall be the University Club) and one (1) dining club approved in advance by the University. It is understood and agreed that such memberships are provided for business purposes so as to allow Coach to develop and promote interest in and support and sponsorship of the football program and the University. It is further understood and agreed that Coach will not be provided membership at any country club or dining club which engages in discriminatory practices in violation of applicable federal and state laws.

8. **Football Tickets.**

8.01: The University shall provide Coach with the use of an Executive Suite containing sixteen (16) seats, plus up to eight (8) additional tickets, in Williams-Brice Stadium to each regular season football game for his personal use or University business-related use. Coach shall advise the University of the number of such tickets needed for each game and the purpose for which such tickets are used (personal use or University business use).

8.02: The University shall provide Coach with up to twelve (12) tickets to each regular season away football game for his personal use or University business-related use. Coach shall advise the University of the number of such tickets needed for each

game and the purpose for which such tickets are used (personal use or University business use).

8.03: The University shall provide Coach with up to twenty-four (24) tickets to each post-season bowl game in which the football team participates for his personal use or University business-related use. Coach shall advise the University of the number of such tickets needed for each game and the purpose for which such tickets are used (personal use or University business use).

9. **Business Expenses.**

The University shall reimburse Coach for reasonable and necessary travel and out-of-pocket expenses incurred by him in connection with the performance of his duties under this Employment Agreement in accordance with University policy and procedure. Reimbursements shall be made upon presentation to the University of appropriate documentation, vouchers or other statements itemizing such expenses in reasonable detail.

10. **Opportunities to Earn Outside Income.**

10.01: General.

While Coach is representing the University as Head Football Coach, he shall have the opportunity to earn outside income as a result thereof from the activities outlined in Paragraphs 10.02 - 10.06 herein, but only upon the following terms and conditions:

(a) Coach's outside income activities shall not interfere with the full and complete performance by Coach of his duties and obligations as an employee of the University, recognizing always that his primary obligations lie with the University and its student-athletes.

(b) Coach shall not accept or receive directly or indirectly any monies, benefit or any other gratuity whatsoever from any person, corporation, or other benefactor if such action would be in violation of NCAA or SEC Legislation, University rules and regulations, or South Carolina law. Changes to such Legislation, rules, regulations or laws shall automatically apply to this Employment Agreement without the necessity of a written modification hereto.

(c) Coach's outside income shall not be considered a part of Coach's base salary.

(d) Pursuant to NCAA Bylaw 11.2.2, Coach shall discuss with and obtain annually prior written approval from the Athletics Director before entering into any agreement under which he will receive athletically related income and benefits from sources outside the University, including but not limited to, income from annuities, sports

camps, housing benefits, county-club memberships, complimentary-ticket sales, television and radio programs, speeches/appearances and written materials, commercial endorsements or consulting contracts with athletic shoe, apparel or equipment manufacturers or sellers, which approval shall not be unreasonably withheld. Additionally, Coach shall provide a written detailed account annually to the President of the University of all athletically related income and benefits from sources outside the University. Coach agrees to provide to the University upon request copies of all records and contracts related to his athletically related income.

10.02: Television and Radio Shows; Commercial Endorsements.

(a) The University reserves the exclusive right to produce and market or contract for the production and marketing of television and radio shows in connection with the football program. In the event the University exercises such right, Coach agrees to appear on and make reasonable efforts to make successful such television and radio shows. The University or other producer of such shows shall, by separate agreement, pay Coach compensation for his services as set forth in Paragraph 10.02(c) herein. The University shall have no responsibility for amounts due and owing by producers other than the University except as set forth in Paragraph 10.02(c) herein. The University shall own all rights in and to the programs.

(b) The University reserves the exclusive right to market or contract for the marketing of Coach's services to promote commercial endorsements in connection with his position as Head Football Coach and Coach shall not otherwise engage in such commercial endorsements. The parties agree that such commercial endorsements shall be mutually agreed upon; provided, however, that subject to the provisions of Paragraph 10.02(d) herein, Coach shall not unreasonably refuse to make such commercial endorsements. The University or other marketing company shall, by separate agreement, pay Coach compensation for his services as set forth in Paragraph 10.02(c) herein. The University shall have no responsibility for amounts due and owing by marketing companies other than the University except as set forth in Paragraph 10.02(c) herein.

(c) Coach shall receive the total sum of Five Hundred Thousand Dollars (\$500,000) annually for his services in connection with television and radio shows and commercial endorsements as set forth in Paragraphs 10.02(a) and (b) herein. In the event that the Coach does not receive Five Hundred Thousand Dollars (\$500,000) from such television and radio shows and commercial endorsements, collectively, in any contract year (January 1st – December 31st), the University agrees to pay Coach the difference between the amount received by Coach from such television and radio shows and commercial endorsements and Five Hundred Thousand Dollars (\$500,000) on or before sixty (60) days following the conclusion of each contract year; provided, however, such payment shall not be considered to be part of Coach's base salary as set forth in Paragraph 4.01 herein.

(d) Coach hereby grants the University permission to use Coach's name and likeness during the term of this Employment Agreement in connection with the

activities described in Paragraph 10.02(a) and Paragraph 10.02(b). This permission will terminate or expire upon the termination or expiration of this Employment Agreement except as otherwise set forth in this Employment Agreement. The University agrees that Coach is and will remain the sole and exclusive owner of his name and likeness and all proprietary and potentially proprietary rights relating thereto except as otherwise set forth in this Employment Agreement.

10.03: Athletics Shoes, Equipment and Coaching Apparel.

The University reserves the exclusive right to select, in consultation with Coach, and to contract with athletics shoe and equipment, and coaching apparel manufacturers regarding the athletics shoes and equipment that the football team will wear and utilize during practice and competition, and the coaching apparel that Coach and his staff will wear, promote and endorse during practice, competition or otherwise while representing the University. Coach agrees that he and his staff will honor such decisions by the University and will wear in practice, games and during official University appearances the product(s) selected by the University. Coach further agrees that he and his staff will not endorse or promote any product that is in direct competition with the manufacturer(s) selected by the University. By separate agreement between the manufacturer(s) selected by the University and Coach, the selected manufacturer(s) shall pay Coach mutually agreed upon compensation of not less Five Hundred Thousand Dollars (\$500,000) annually for his promotion, endorsement and use of such athletics shoes and equipment, and coaching apparel. In the event Coach does not receive Five Hundred Thousand Dollars (\$500,000) from such manufacturers, collectively, in any contract year (January 1st – December 31st), the University agrees to pay Coach the difference between the amount received by Coach from such manufacturer(s) and Five Hundred Thousand Dollars (\$500,000) on or before sixty (60) days following the conclusion of each contract year; provided, however, such payment shall not be considered to be part of Coach's base salary as set forth in Paragraph 4.01 herein.

10.04: On-Campus Summer Camp.

Coach shall have the opportunity to use University facilities in connection with a summer youth football camp run by Coach and using his name for up to four (4) weeks each summer that he is employed as Head Football Coach, and to retain the income generated from such summer camps. Coach shall be responsible for all costs incidental thereto, and shall comply with policies and rules established by the University for the conduct of such events. For use of the facilities, Coach shall be charged the rates set forth in the applicable Athletics Department policy. The University shall, in consultation with Coach, designate the dates on which the facilities are available for Coach's use.

10.05: Income from Speeches, Appearances, and Written Materials.

Coach shall be entitled to deliver, make and grant public speeches, public appearances and media interviews and to write and release books and magazine and

newspaper articles or columns and to retain the income generated from such activities, subject to the provisions of the South Carolina Ethics Act, Section 8-13-700 et seq. of the Code of Laws of South Carolina (1986), as amended – that is, such activities must be conducted by Coach in his individual capacity and not his official capacity as a University employee. Coach agrees to represent the University professionally and positively in all such matters. It is expressly understood and agreed that this Paragraph 10.05 does not pertain to any speech or appearance at a University function, including Gamecock Club events, and that Coach shall not be entitled to compensation for such activities beyond the salary and additional compensation described in this Employment Agreement.

10.06: Internet Web Site.

The University reserves the exclusive right to create, manage and market or contract for the creation, management and marketing of an internet web site regarding University athletics programs, including but not limited to the football program. Notwithstanding anything contained in this Employment Agreement to the contrary, Coach agrees that he shall not create, operate, manage, market or otherwise participate in any internet web site regarding or featuring intercollegiate athletics, including but not limited to University athletics programs, analysis and contest results, without the prior written consent of the University, which consent may be withheld in the University's sole discretion.

10.07: Indemnification for Outside Income Activities.

Coach understands and agrees that all outside income activities, including but not limited to the activities set forth in Paragraphs 10.02 - 10.06, are independent of Coach's employment at the University and the University shall have no responsibility or liability for any claims whatsoever arising from such activities (other than the University's payment obligation as set forth in Paragraphs 10.02 and 10.03 herein), including but not limited to claims by third parties. Furthermore, the University shall have no responsibility or liability for any claims by Coach for loss of income, business opportunities, perquisites, or any form of consequential damages, in the event that this Employment Agreement is terminated by the University pursuant to Paragraphs 11, 12.01 or 12.02 herein, or by Coach pursuant to Paragraph 12.03 herein. Coach agrees to hold harmless and indemnify the University, its Board of Trustees and employees, from any and all suits, claims, demands, damages, liability, costs and expenses, including reasonable attorney's fees, arising from any such outside income activity.

11. NCAA Enforcement Procedures.

Pursuant to NCAA Bylaw 11.2.1, Coach understands and agrees that if he is found in violation of NCAA Legislation, he shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures, including suspension without pay or termination of employment for significant or repetitive

violations. Any such disciplinary or corrective actions shall be in addition to and in no way limit or restrict any actions the University may take pursuant to Paragraph 12 herein.

12. **Termination.**

12.01: Termination by University for Cause.

(a) The University shall have the right to terminate this Employment Agreement prior to its expiration date if there is cause for terminating Coach's employment. In addition to and as examples of its normally-understood meaning in employment contracts, the term "termination for cause" shall be understood to include, but not be limited to, any of the following:

(1) conviction of (or entry into pre-trial intervention as a result of) a criminal act that constitutes either a felony, or a misdemeanor involving moral turpitude;

(2) the committing of a major violation of NCAA Legislation (as defined in Article 19 of NCAA Legislation) while at the University or while employed at another NCAA member institution, or the committing of a series or pattern of secondary violations of NCAA Legislation (as defined in Article 19 of NCAA Legislation) while at the University, or knowingly committing any violation of NCAA Legislation while at the University;

(3) the committing of a major violation of NCAA Legislation (as defined in Article 19 of NCAA Legislation) or the committing of a series or pattern of secondary violations of NCAA Legislation (as defined in Article 19 of NCAA Legislation) by a member of Coach's coaching staff while at the University of which Coach had prior actual knowledge or reasonably should have had prior actual knowledge;

(4) the committing of a major violation of NCAA Legislation (as defined in Article 19 of NCAA Legislation) while Coach is at the University by any representative of the University's athletics interest of which Coach has actual knowledge or reasonably should have had prior actual knowledge, and Coach fails to report such violation immediately to the Athletics Director and the NCAA Compliance Coordinator;

(5) the failure to report to the Athletics Director or the NCAA Compliance Coordinator any violation of NCAA Legislation by the University of which Coach has actual knowledge;

(6) the failure to take appropriate disciplinary action against a member of his coaching staff found by the NCAA or the University to have committed a violation of NCAA Legislation;

(7) substantial physical or mental incapacity lasting in excess of forty five (45) continuous days which cannot reasonably be accommodated by the

University and which interferes with Coach's ability to perform essential functions of the duties and responsibilities set forth herein.

(8) violation of any material provision of this Employment Agreement not corrected by Coach within ten (10) days following receipt of written notification of such violation from the University, or failure to take immediate and reasonable action to remedy within a reasonable period of time after such violation which is incapable of correction within ten (10) days after notification from the University.

(b) Any termination for cause must be preceded by a pre-termination meeting held for such purpose by the President of the University after not less than five (5) days prior written notice to Coach, which notice shall include a statement of the charges against Coach. The meeting shall consist of an explanation of the University's cause for termination and an opportunity for Coach to present his side of the story. Present at the meeting shall be the President, Athletics Director, University General Counsel and/or other persons deemed appropriate by the President. Coach shall be permitted to have an attorney present to represent him if he so desires. The decision of the President following the meeting shall be the final University decision.

(c) In the event this Employment Agreement is terminated for cause, the University's sole obligation to Coach shall be to pay his base salary as set forth in Paragraph 4.01 herein until the effective date of termination, as well as any annual guaranteed compensation increase and incentive-based supplemental compensation earned by Coach pursuant to Paragraphs 4.04 and 4.05 herein respectively through the effective date of termination, and any payments by the University pursuant to Paragraphs 10.02(c) and 10.03 herein necessary to ensure that Coach receives a pro rata share of any compensation due to him for television and radio, endorsements, athletics shoes, equipment and coaching apparel, through the effective date of termination. In no case shall the University be liable to Coach for the loss of any collateral business opportunities, or any other benefits, perquisites, supplemental compensation, or incomes resulting from activities such as but not limited to summer camps, media appearances (including TV and radio shows), commercial endorsements, apparel, equipment or shoe contracts, consulting relations, or from any other sources, or any form of consequential damages, resulting from or associated with Coach's employment.

(d) In the event this Employment Agreement, including any extensions hereto, is terminated for cause, Coach may challenge such decision in a court of competent jurisdiction; provided, however, if the court determines that the University breached this Employment Agreement by terminating Coach without cause, then the liquidated damages provision set forth in Paragraph 12.02 herein shall apply and shall be Coach's sole remedy.

12.02: Termination by University Without Cause.

(a) The University shall have the right to terminate this Employment Agreement, including any extensions hereto, prior to its expiration date without cause upon fifteen (15) days written notice to Coach. In such event, the University shall pay to

Coach in lieu of any and all other legal remedies, damages of any type or equitable relief available to Coach and without regard to any compensation Coach may earn in mitigating his damages, liquidated damages in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) per year for the remaining term of this Employment Agreement, including a pro-rated amount for any partial year. It is agreed that the University shall pay such liquidated damages in lump sum within ninety (90) days following the effective date of termination. In addition, the University shall pay Coach any annual guaranteed compensation increase and incentive-based supplemental compensation earned by Coach pursuant to Paragraphs 4.04 and 4.05 herein respectively through the effective date of termination, and any payments by the University pursuant to Paragraphs 10.02(c) and 10.03 herein necessary to ensure that Coach receives a pro rata share of any compensation due to him for television and radio, endorsements, athletics shoes, equipment and coaching apparel, through the effective date of termination.

(b) The parties have bargained for and agreed to the foregoing liquidated damage provision, giving consideration to the fact that termination of this Employment Agreement by the University without cause prior to its natural expiration may cause Coach to lose certain income, supplemental compensation, fringe benefits, perquisites, and collateral business opportunities to earn outside compensation relating to his employment at the University, or to incur other consequential damages, which losses and damages are extremely difficult to determine fairly or adequately or with certainty. Similarly, the parties recognize that Coach, in the absence of this provision, generally would have had a duty to obtain other employment in mitigation of any damages sustained by virtue of the termination of this Employment Agreement. The parties further agree that such liquidated damages shall constitute adequate and reasonable compensation to Coach for the damages and injury suffered by him because of such termination by the University. The parties acknowledge that the foregoing is not, nor should it be construed to be, a penalty, and shall be binding upon both parties.

12.03: Termination by Coach.

(a) Coach shall have the right to terminate this Employment Agreement, including any extensions hereto, prior to its expiration date upon fifteen (15) days written notice to the University. In such event, if Coach accepts another coaching position at any time during the remaining term of this Employment Agreement as set forth in Paragraph 3 herein, Coach shall pay to the University, in lieu of any and all other legal remedies, damages of any type or equitable relief available to the University, and without regard to actions by the University to mitigate its damages, liquidated damages in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) per year for the remaining term of this Employment Agreement, including a pro-rated amount for any partial year. It is agreed that Coach shall pay such liquidated damages in lump sum within ninety (90) days following the effective date of termination.

(b) The parties acknowledge that they have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that

termination of this Employment Agreement by Coach prior to its natural expiration may cause the University to incur, among other things, administrative, recruiting and resettlement costs in obtaining a replacement for Coach in addition to potentially increased compensation costs and loss of ticket revenues, potential damage to the University's reputation, lost recruits and recruiting opportunities, reduced membership in the Gamecock Club and a decline in donations to the Athletics Department, which damages are difficult to determine fairly or adequately or with certainty. Similarly, the parties recognize that the University is giving up its right to seek damages in excess of the above stated limits. The parties further agree that such liquidated damages shall constitute adequate and reasonable compensation to the University for the damages and injury suffered by it because of such termination by Coach. The parties acknowledge that the foregoing is not, nor should it be construed to be, a penalty, and shall be binding upon both parties.

(c) Notwithstanding Coach's obligation to pay liquidated damages as set forth in Paragraph 12.03(a) herein, the University shall pay Coach his base salary as set forth in Paragraph 4.01 herein until the effective date of termination, as well as any annual guaranteed compensation increase and incentive-based supplemental compensation earned by Coach pursuant to Paragraphs 4.04 and 4.05 herein respectively through the effective date of termination, and any payments by the University pursuant to Paragraphs 10.02(c) and 10.03 herein necessary to ensure that Coach receives a pro rata share of any compensation due to him for television and radio, endorsements, athletics shoes, equipment and coaching apparel, through the effective date of termination.

12.04: Effective Date of Termination

As used in this Employment Agreement, "effective date of termination" shall mean the date on which this Employment Agreement shall no longer be effective and Coach's employment with the University ends, such date to occur as follows:

(a) In the event the University terminates this Employment Agreement for cause, the effective date of termination shall be the date on which the President issues his decision to terminate following the pre-termination meeting held in accordance with Paragraph 12.01(b) herein.

(b) In the event the University terminates this Employment Agreement without cause pursuant to Paragraph 12.02 herein, or in the event Coach terminates this Employment Agreement pursuant to Paragraph 12.03 herein, the effective date of termination shall be the final day of the written notice of termination period required by Paragraph 12.02 or Paragraph 12.03, as applicable.

13. **Notification Required Prior to Discussion with Other Employers.**

The parties agree that should another employment opportunity be presented to Coach or should Coach be interested in other employment during the term of this Employment Agreement, Coach must notify the University's Athletics Director of such

opportunity or interest before any discussions can be held by Coach with anticipated employment principals.

14. **Performance; Entire Agreement; Amendments.**

The University and Coach agree to the full and complete performance of the terms and conditions contained herein. The parties further acknowledge and agree that this Employment Agreement constitutes the sole, full and complete agreement by and between the parties. No amendments, changes, additions, deletions or modifications to or of this Employment Agreement shall be valid unless reduced to writing and signed by the parties.

15. **Saving Clause.**

In the event one or more words, phrases, clauses or provisions of this Employment Agreement are declared illegal, invalid, void or otherwise unenforceable, the parties agree that the remaining provisions of this Employment Agreement shall be deemed valid and shall remain in full force and effect.

16. **No Waiver of Default.**

No waiver by the parties of any default or breach of any covenant, term or condition of this Employment Agreement shall be deemed to be a waiver of any other default or breach of the same or any other covenant, term or condition contained herein.

17. **Notice.**

Any notice or other communication which may be or is required to be given under this Employment Agreement shall be in writing and shall be deemed to have been given on the earlier of the day actually received or on the close of the fifth business day next following the day when deposited in the United States mail, postage prepaid addressed to the party at the address set forth after its name below or such other address as may be given by such party in writing to the other:

If to Coach:

Stephen O. Spurrier
Head Football Coach
University of South Carolina
Williams-Brice Stadium
Columbia, SC 29208

If to the University:

Michael B. McGee
Director of Athletics
Rex Enright Athletic Center
University of South Carolina
Columbia, SC 29208

With a copy to:

Walter H. Parham, Esquire
General Counsel
109 Osborne Administration Building
University of South Carolina
Columbia, SC 29208

18. **Governing Law; Venue.**

18.1: This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, and any suit, action or proceeding arising out of or relating to this Agreement shall be governed by the laws of the State of South Carolina.

18.2: Coach agrees that any act by the University regarding this Agreement is not a waiver of either the University’s sovereign immunity or the University’s immunity under the Eleventh Amendment of the United State’s Constitution.

18.3: Any suit, action or proceeding arising out of or relating to this Agreement shall be instituted and maintained only in a state or federal court located in Richland County, State of South Carolina.

19. **Acknowledgment.**

Coach acknowledges that he has read and understands the foregoing provisions of this Employment Agreement, that such provisions are reasonable and enforceable, and that he agrees to abide by this Employment Agreement and the terms and conditions set forth herein.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the dates below indicated.

UNIVERSITY OF SOUTH CAROLINA

COACH

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees

By: _____
Stephen O. Spurrier
Head Football Coach

Date: _____

Date: _____

And: _____
Michael B. McGee
Director of Athletics

Date: _____

**APPROVED BY THE EXECUTIVE COMMITTEE OF THE UNIVERSITY OF
SOUTH CAROLINA BOARD OF TRUSTEES, ON BEHALF OF THE BOARD
OF TRUSTEES, ON NOVEMBER 23, 2004.**

By: _____
Thomas L. Stepp, Secretary
USC Board of Trustees



OUTSIDE INCOME DECLARATION FORM
Outside Income Received January 1, 2008 to December 31, 2008

Name Steve Spurrier Sport/Dept Football

<u>TYPE</u>	<u>PROVIDER(S)</u>	<u>AMOUNT</u>
Memberships		
Camps and Clinics	<u>11,500.</u>	<u>\$11,500.⁰⁰/₁₀₀</u>
Apparel Allowance	<u>per contract</u>	
Endorsements Contracts	<u>per contract</u>	
Radio/TV Shows	<u>per contract</u>	
Appearance Fees	<u>autograph signing</u>	<u>\$15,000.⁰⁰/₁₀₀</u>
Meals & Housing		
Honorariums	<u>Speaker</u>	<u>\$5,000.⁰⁰/₁₀₀</u>
Comp Ticket Sale/Trade		
Other (i.e., Gifts, Annuities)		
TOTAL		<u>\$31,500.⁰⁰/₁₀₀</u>

I declare that I have reported all outside income received from January 1 to December 31, 2008. I recognize that I am responsible for the accuracy of all information provided.

Employee Signature [Signature] Date 1/16/09

I have reviewed and hereby approve the information above.

[Signature]
Eric Hyman, Director of Athletics
2.23.09
Date

[Signature]
Dr. Harris Pastides, President
3/23/09
Date