

CONFIDENTIAL

Form A DECLARATION FOR CONFLICT OF INTEREST AND TIME COMMITMENT

A. EMPLOYEE IDENTIFICATION

Name: Ron Prince
Dept/Unit: Athletics - Football
Title: Head Coach

SECTION A - CONFLICT OF INTEREST

1. Ownership: Ownership interest in any corporation, partnership, trust, joint venture, and every other business interest, including land used for income which you or other members of your household own or have owned within the preceding 12 months, which represents a legal or equitable interest exceeding \$10,000 or five percent, whichever is less. Ownership of intellectual property, e.g., patents, royalties, and copyrights is also included. Ownership of funds and holdings acquired through the Regents' retirement programs is not included.

Are there any ownership interests you have or a member of your family has which meet this criteria and could an independent observer conclude that they appear to influence or potentially conflict with any of your research/educational activities?

No [X] Yes [] (If yes, complete sections A, B, C, and H on Form B)

2. Compensation: Receipt of salary, anything of value, or economic benefit conferred within the past 12 months in return for services rendered or to be rendered in excess of \$10,000, including consulting fees in excess of \$10,000 from any one entity.

Have you or your family received or do you expect to receive compensation as defined above and could an independent observer conclude that said compensation influences or potentially conflicts with any of your research/educational activities?

No [X] Yes [] (If yes, complete sections A, B, D, and H on Form B)

Annual Declaration and Disclosure of Conflict of Interest

Page 4 of 9

3. Office: A position or office of director, officer, associate, partner, or proprietor in any outside entity in which greater than 5% ownership is held or for which more than \$10,000 compensation is received.

Do you or does a member of your family hold an office as defined above which an independent observer could conclude significantly affects or is affected by any of your research/educational activities?

No Yes (If yes, complete sections A, B, E, and H on Form B)

4. Fees and Commissions: Receipt of an aggregate of \$10,000 or more in fees or commissions from one or more outside entities.

Do you or does a member of your family receive fees/commissions as defined above which meet this criteria which an independent observer could conclude might present potential conflicts of interest with any of your research/educational activities?

No Yes (If yes, complete sections A, B, F, and H on Form B)

If you have answered "Yes" to any of these questions, indicating that to an independent observer a specific financial interest has the potential of affecting or influencing your research/educational activities, you are required to file a Disclosure Statement Form B identifying the specific interests and the affected research/educational activities (see attached Disclosure Statement Form B).

SECTION B - CONFLICT OF TIME COMMITMENT

The Board of Regents recognizes the value of faculty and staff interaction with business, industry and private foundations and government agencies to foster the missions, facilitate professional development, and promote expansion of knowledge.

However, the Board of Regents' policy indicates that external activities of faculty and staff, such as consulting, outside employment, public service, pro bono work, or serving as an officer of an external entity, even without compensation, can result in real or apparent conflicts regarding commitment of time or effort.

The policy states that faculty members and unclassified staff of Regents' institutions owe their primary professional responsibility to their employment institutions, and their primary commitment of time and intellectual effort should be to the education, service, research and scholarship missions of said institution. Faculty and unclassified staff should maintain a presence on campus commensurate with their appointments.

External activities that take time away from University responsibilities should be discussed with the department chair or other immediate supervisor to obtain their

Annual Declaration and Disclosure of Conflict of Interest

concurrence that the activities do not constitute a conflict of time commitment. This concurrence should be obtained prior to engaging in external activities.

1. I have read and I understand the Regents' policy on Commitment of Time, Conflict of Interest, Consulting and Other Employment. BOR policy can be accessed at http://www.kansasregents.org/download/aca_affairs/policymanual/kborpm71002.pdf

No Yes

2. In light of Regents' policy, some of my external activities may appear to an independent reasonable observer to create a conflict of time or effort.

No Yes (If yes, complete sections A, G, and H on Form B)

DECLARATION:

I, Rm Prince, declare that this report of financial interest and potential conflict of interest has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement. I have read the Regents' policy on Commitment of Time, Conflict of Interest, Consulting and Other Employment and I have complied with consulting approval policies and procedures of KSU. I have complied with federal conflict of interest policies and regulations. Also, I understand that Regents' policy states that failure to file this statement as required or intentionally filing a false statement may result in disciplinary action. Any changes to this statement will be reported prior to proposal submission.

Rm Prince
Signature

11/9/07
Date

If all answers are "No" except for B.1 you do not need to complete Form B.

ACCEPTED: Eric J. Weiser
Department/Unit Head

11/12/07
Date

ACCEPTED: _____
Dean/Appropriate Vice President

Date

ACCEPTED: _____
Provost

Date

(ONLY TO BE COMPLETED IF REQUIRED BY ANSWERS TO Form A)

CONFIDENTIAL

Form B DISCLOSURE STATEMENT OF SIGNIFICANT FINANCIAL AND/OR TIME COMMITMENT INTERESTS



INITIAL APPOINTMENT TERM

Office of the Provost
106 Anderson Hall
Manhattan, KS 66506-0113
785-532-6224
Fax: 785-532-6507

By authority of the Board of Regents of the State of Kansas and subject to all provisions of the laws of Kansas, the regulations, policies, minutes, and regulations of the Board of Regents; and the rules, regulations, and policies of Kansas State University; and the rules, regulations and policies of the Intercollegiate Athletic Council of Kansas State University, Inc. (the "IAC").

RON PRINCE is hereby offered the position of HEAD COACH / FOOTBALL in the IAC at Kansas State University beginning DECEMBER 5, 2005, at 100 percent time at a salary rate of \$5,307.70 bi-weekly.

This appointment ends on DECEMBER 4, 2006.

It is understood that this appointment carries with it no expectation of continuing employment other than as varied by the parties, in writing, and no consideration for tenure, and that the standards for notice of non-reappointment do not apply. This appointment is subject to reassignment of duties upon notice by the appointing administrator.

THIS APPOINTMENT IS CONTINGENT UPON CONTINUING AVAILABILITY OF FUNDING AND NEED FOR THESE SERVICES.

YOU MUST RECEIVE PRIOR WRITTEN APPROVAL FROM THE PRESIDENT ANNUALLY FOR ALL ATHLETICALLY RELATED INCOME AND BENEFITS FROM SOURCES OUTSIDE THE INSTITUTION (INCLUDING BUT NOT LIMITED TO: INCOME FROM ANNUITIES, SPORTS CAMPS, COMPLIMENTARY TICKET SALES, TELEVISION AND RADIO PROGRAMS AND ENDORSEMENTS, OR CONSULTATION CONTRACTS WITH ATHLETIC SHOE, APPAREL, OR EQUIPMENT MANUFACTURERS). THE PRESIDENT HAS GIVEN PRIOR APPROVAL FOR YOU TO RECEIVE INCOME NOT IN EXCESS OF \$500 FOR ANY SPEAKING ENGAGEMENT, CAMP OR CLINIC PARTICIPATION. YOU MUST ANNUALLY PROVIDE THE PRESIDENT WITH A DETAILED ACCOUNTING OF ANY INCOME EARNED AS A RESULT OF THIS APPROVAL.

IF YOU ARE FOUND IN VIOLATION OF NCAA OR BIG 12 CONFERENCE REGULATIONS, YOU 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. IN ADDITION, IF YOU ARE CONVICTED OR FOUND IN VIOLATION OF ANY CRIMINAL LAW OR COMMIT A CRIMINAL ACT IN ANY STATE OR MUNICIPALITY OF THIS COUNTRY, OR OF ANY OTHER COUNTRY, AND/OR YOU ARE INVOLVED IN ANY CONDUCT THAT CONSTITUTES MORAL TURPITUDE, OR WHICH WOULD TEND TO BRING PUBLIC DISRESPECT, CONTEMPT, OR RIDICULE UPON KANSAS STATE UNIVERSITY OR THE INTERCOLLEGIATE ATHLETIC COUNCIL OF KANSAS STATE UNIVERSITY, THIS CONTRACT MAY BE SUBJECT TO DEPARTMENTAL PROBATION, DEMOTION, SUSPENSION WITHOUT PAY, AND/OR IMMEDIATE TERMINATION.

THIS APPOINTMENT IS SUBJECT TO IAC BENEFITS AND PROGRAMS.

EMPLOYEE IS SUBJECT TO ALL RULES, REGULATIONS AND POLICIES OF THE IAC AND THE UNIVERSITY. WHERE THERE IS A CONFLICT BETWEEN THESE PERSONNEL POLICIES, THE IAC POLICY WILL GOVERN.

It is understood upon accepting this position that I must complete the Declaration of Conflict of Interest and Time Commitment form. (This form can be accessed http://www.ksu.edu/academic services/forms/interest.html.)

By direction of the President:

[Signature]
Vice President

12/22/05
Date

PLEASE RETURN THE ORIGINAL OF THIS CONTRACT.

I accept the appointment and agree to be bound by the terms stated herein:

[Signature]
Signature

12/22/06
Date

I reject the appointment:

Signature

Date

CONFIDENTIAL

Form A DECLARATION FOR CONFLICT OF INTEREST AND TIME COMMITMENT

A. EMPLOYEE IDENTIFICATION

Name: Ronald Prince
Dept/Unit: Athletics / Football
Title: Head Football Coach

SECTION A - CONFLICT OF INTEREST

1. Ownership: Ownership interest in any corporation, partnership, trust, joint venture, and every other business interest, including land used for income which you or other members of your household own or have owned within the preceding 12 months, which represents a legal or equitable interest exceeding \$10,000 or five percent, whichever is less. Ownership of intellectual property, e.g., patents, royalties, and copyrights is also included. Ownership of funds and holdings acquired through the Regents' retirement programs is not included.

Are there any ownership interests you have or a member of your family has which meet this criteria and could an independent observer conclude that they appear to influence or potentially conflict with any of your research/educational activities?

No [checked] Yes [] (If yes, complete sections A, B, C, G, and H on Form B)

2. Compensation: Receipt of salary, anything of value, or economic benefit conferred within the past 12 months in return for services rendered or to be rendered in excess of \$10,000, including consulting fees in excess of \$10,000 from any one entity.

Have you or your family received or do you expect to receive compensation as defined above and could an independent observer conclude that said compensation influences or potentially conflicts with any of your research/educational activities?

No [checked] Yes [] (If yes, complete sections A, B, D, and H on Form B)

Annual Declaration and Disclosure of Conflict of Interest

Page 3 of 8

3. Office: A position or office of director, officer, associate, partner, or proprietor in any outside entity in which greater than 5% ownership is held or for which more than \$10,000 compensation is received.

Do you or does a member of your family hold an office as defined above which an independent observer could conclude significantly affects or is affected by any of your research/educational activities?

No Yes (If yes, complete sections A, B, E, and H on Form B)

4. Fees and Commissions: Receipt of an aggregate of \$10,000 or more in fees or commissions from one or more outside entities.

Do you or does a member of your family receive fees/commissions as defined above which meet this criteria which an independent observer could conclude might present potential conflicts of interest with any of your research/educational activities?

No Yes (If yes, complete sections A, B, F, and H on Form B)

If you have answered "Yes" to any of these questions, indicating that to an independent observer a specific financial interest has the potential of affecting or influencing your research/educational activities, you are required to file a Disclosure Statement Form B identifying the specific interests and the affected research/educational activities (see attached Disclosure Statement Form B).

SECTION B - CONFLICT OF TIME COMMITMENT

The Board of Regents recognizes the value of faculty and staff interaction with business, industry and private foundations and government agencies to foster the missions, facilitate professional development, and promote expansion of knowledge.

However, the Board of Regents' policy indicates that external activities of faculty and staff, such as consulting, outside employment, public service, pro bono work, or serving as an officer of an external entity, even without compensation, can result in real or apparent conflicts regarding commitment of time or effort.

The policy states that faculty members and unclassified staff of Regents' institutions owe their primary professional responsibility to their employment institutions, and their primary commitment of time and intellectual effort should be to the education, service, research and scholarship missions of said institution. Faculty and unclassified staff should maintain a presence on campus commensurate with their appointments.

External activities that take time away from University responsibilities should be

Annual Declaration and Disclosure of Conflict of Interest

discussed with the department chair or other immediate supervisor to obtain their concurrence that the activities do not constitute a conflict of time commitment. This concurrence should be obtained prior to engaging in external activities.

1. I have read and I understand the Regents' policy on Commitment of Time, Conflict of Interest, Consulting and Other Employment. BOR policy can be accessed at http://www.kansasregents.org/download/aca_affairs/policymanual/kborpm71002.pdf

No Yes

2. In light of Regents' policy, some of my external activities may appear to an independent reasonable observer to create a conflict of time or effort.

No Yes (If yes, complete sections A, G, and H on Form B)

DECLARATION:

I, Ron D Prince, declare that this report of financial interest and potential conflict of interest has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement. I have read the Regents' policy on Commitment of Time, Conflict of Interest, Consulting and Other Employment and I have complied with consulting approval policies and procedures of KSU. I have complied with federal conflict of interest policies and regulations. Also, I understand that Regents' policy states that failure to file this statement as required or intentionally filing a false statement may result in disciplinary action. Any changes to this statement will be reported prior to proposal submission.

Ron D Prince Signature 1/13/06 Date

If all answers are "No" except for B.1 you do not need to complete Form B.

ACCEPTED: Jim Weiser Department/Unit Head 1-18-06 Date

ACCEPTED: [Signature] Dean/Appropriate Vice President 1/18/06 Date

ACCEPTED: _____ Provost _____ Date

(ONLY TO BE COMPLETED IF REQUIRED BY ANSWERS TO Form A)

CONFIDENTIAL

Form B DISCLOSURE STATEMENT OF SIGNIFICANT FINANCIAL AND/OR TIME COMMITMENT INTERESTS

A. EMPLOYEE IDENTIFICATION

**KANSAS STATE UNIVERSITY
FOOTBALL HEAD COACH
EMPLOYMENT AGREEMENT**

This Employment Agreement is by and among the Intercollegiate Athletic Council of Kansas State University, Inc., ("IAC"), Kansas State University, (the "University") and Ron Prince (the "Coach").

Article I
PURPOSE

1.01 The parties have entered into this Agreement because the University desires to employ Coach for the period provided with Coach's assurance that he will serve the entire term of this Agreement, a commitment by the Coach being critical to the University's desire to run a stable Athletic program. The University agrees to employ Coach and Coach promises to be employed by the University upon the following terms and conditions.

Article II
RESPONSIBILITIES OF THE HEAD COACH

2.01 Recognition of Duties: Coach will serve as the head coach of the University's football team. Coach will report to the Athletic Director, who will determine Coach's duties and responsibilities. Subject to the other provisions of this Agreement, Coach shall devote his full time, skill and attention to the performance of the duties as Coach.

2.02 General Duties and Responsibilities: During the period in which the University employs Coach, he agrees to perform all duties and responsibilities attendant to the position of Coach of the University's football team as set forth in this Agreement. Coach is responsible for supervising, evaluating, recruiting, training and coaching student athletes to compete against major college competition; the supervision and evaluation of coaching staff; and budget preparation and administration, for approval by the Athletic Director or his designee, as it relates to the football program.

2.03 Specific Duties and Responsibilities: The duties and responsibilities assigned to Coach in connection with the University's football program are set forth below. They are subject to change by the Athletic Director or his designee. This list of specific duties and responsibilities supplements, and is not exclusive of, other general duties and responsibilities provided for elsewhere in this Agreement. The specific responsibilities of the position include, but are not limited to, the following:

(a) Coach will be responsible for customary coaching decisions including without limitation the systems and strategies used on the field (both in practice and actual game

play), conduct of practice and training, selection of team members, position assignment of players, and all other matters relating to the practice for and play of games;

(b) Coach agrees to comply with the academic standards and requirements of the University with respect to the recruiting and eligibility of prospective and current student athletes for the football program. Coach will comply with the academic policies established by the University, including monitoring and encouraging the regular progress toward an academic degree of those student-athletes who are on the football team. Coach will make reasonable and good faith efforts, in cooperation with the University's faculty and administration, to meet all student-athletes' academic requirements and to integrate sports into the whole spectrum of academic life for all student-athletes. Coach will use reasonable efforts to arrange travel and scheduling by student-athletes in such a manner as to minimize lost classroom time;

(c) Coach will make his best effort to maintain and enforce conduct (both on and off the field) and disciplinary rules and sanctions fairly and uniformly for all student-athletes in the football program so as to insure academic and moral integrity while encouraging excellence;

(d) Coach has authority and responsibility to make decisions as to the hiring, continued employment, job titles, compensation, and dismissal of assistant coaches for the football program. All such decisions will be subject to the prior approval of the Athletic Director or his designee. Coach will supervise these employees, including the supervision of their compliance with IAC and University policies, and with Big 12 Conference and NCAA rules and regulations;

(e) Coach will attend and participate in a reasonable number of alumni, charitable, and promotional events, and public appearances, to include a minimum of eight (8) Catbacker events annually;

(f) Coach will perform services on television, radio, and other media as such services relate to the position as Head Coach of the football team, as further set forth herein. Further, the parties hereto acknowledge and agree that the University possesses the sole and exclusive ownership rights to the University's football program of any nature, including, but not limited to, the following: radio, television, internet and any other medium whatsoever whether now existing or developed in the future. As such, the University, its agents, representatives, licensees, or assigns, shall have the sole and exclusive rights to produce and market all radio, television, and internet shows relating to the University's football program, and Coach agrees to perform and carry out all duties and responsibilities deemed necessary by the Athletic Director or his designee for participation in such forms of media, marketing, or sponsorship activities, for which Coach shall receive additional compensation as provided for in Sect. 3.02(c).

2.04 NCAA, Big Twelve, or University Rules and Regulations: Coach agrees to abide by and comply with the constitution, bylaws, and interpretations of the National Collegiate Athletic Association ("NCAA"), and all NCAA, Big 12 Conference, and

University or Intercollegiate Athletic Council of Kansas State University, Inc. (IAC) rules and regulations. Coach will also ensure compliance with these rules and regulations by student-athletes, assistant coaches, and all other program employees and representatives of the University's athletic interests. In the event that the Coach becomes aware, or has reasonable cause to believe, that violations of such constitution, bylaws, interpretations, rules, or regulations may have taken place, he shall report it promptly to the Athletic Director of the University.

2.05 NCAA, Big Twelve, or University Violations: If Coach is found to be in violation of NCAA rules and regulations, whether while employed by the University or during prior employment at another NCAA member institution, Coach shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures. Coach may be suspended for a period of time, without pay, or the employment of Coach may be terminated as provided in Sections 4.02 and 4.03 of this Agreement if Coach is found to have been involved in significant or repetitive violations of NCAA or Big 12 Conference rules and regulations, or University or IAC policies and procedures.

2.06 The Athletic Director shall evaluate Coach annually, in writing, prior to December 5 of each Contract Year, as defined herein, and will discuss the evaluation with Coach. Coach is primarily responsible for evaluation of all assistant coaches and football program staff, with such evaluations subject to review and approval by the Athletic Director or his designee.

Article III

TERM OF EMPLOYMENT, COMPENSATION, AND BENEFITS

3.01 Term of Agreement and Employment:

(a) Subject to the provisions below for termination, the term of employment under this Agreement shall be for five (5) years beginning on the 5th day of December, 2005, and continuing for the 2005-2006 Contract Year (defined below) and for the next immediately succeeding four Contract Years, subject, however, to termination in accordance with the provisions set forth in this Agreement.

(b) The University retains the right to assign Coach to other positions with different duties during the term of this agreement. In no event, however, will Coach be assigned to any position which is inconsistent with his education and experience. If the University makes such a decision to reassign Coach and Coach refuses to accept such reassignment, then the University may terminate this agreement pursuant to the terms and conditions for termination by the University as set forth in Section 4.01 of this agreement. In the event of such termination after Coach refuses to accept reassignment, it is understood by the parties that if Coach becomes employed within one (1) year after termination, Coach must agree to receive reasonable compensation for that type of position and the amount of the University's buy-out shall be reduced by the amount of

Coach's compensation in his new position. However, Coach shall be entitled to determine which, if any, employment opportunity he accepts following such termination.

(c) If the football program is placed on probationary status by the NCAA for conduct that occurred in its entirety prior to the time Coach became Head Coach of the program, there shall be an automatic extension to the term of this Agreement equal to the number of years the program is placed on probation. Further, in the event the school and football program is put on probation after the effective date of Coach's hire at the University and for reasons completely unrelated to Coach and predating Coach's hire, for each year that the school is ineligible for the conference championship and/or bowl participation, Coach shall receive the same bonus he would have been entitled to receive but for the NCAA sanctions preventing the team from participation therein if the team would have earned said bonus(es). (i.e. \$37,500 – Conference Championship game participation if the team's record would have made them division winners for the season, plus \$37,500 – Appearance in a NCAA post-season bowl game if the team's wins qualified, or in the alternative, \$37,500 – Appearance in a NCAA post-season bowl game if the team's wins qualified).

(d) As used in this Agreement, the term "Contract Year" is defined to mean the twelve month period commencing each December 5th and ending the following December 4th. Each such Contract Year is designated by the calendar years in which it begins and ends (so that the Contract Year from December 5, 2005, through December 4, 2006, is referred to as the "2005-2006 Contract Year").

(e) In the event the University President or the Athletic Director, collectively or individually, leaves the University for any reason whatsoever during the term of this Agreement, Coach shall be entitled to discuss the terms of this agreement with the new University President or Athletic Director, but such event does not obviate the term or conditions of this agreement, and the University shall not be required to renegotiate this Agreement upon the departure of the current University President or Athletic Director.

3.02 Base Salary and Additional Compensation:

(a) As compensation for the services performed under this Agreement, Coach shall be paid a Base Salary of \$138,000 for the 2005-2006 Contract Year. Coach shall receive any and all annual raises to his base salary in a percentile amount consistent with Coach's annual performance evaluation and the amount awarded to all other similarly situated University employees for subsequent Contract Years under the term of this agreement.

(b) The Base Salary provided for above shall be paid to Coach in accordance with the University's normal payroll procedures.

(c) For each Contract Year under the term of this agreement, Coach will receive additional compensation, paid monthly, in the total annual amount of \$612,000,

as compensation for his television, radio, internet, shoe and/or apparel sponsorships, consulting, or promotion and other services.

3.03 Exclusivity of Services

(a) Coach agrees that during the term of this Agreement, he will not engage in any outside activities in television, radio, clothing or shoe sponsorships, or internet, except those he is compensated for by the University as described above, unless such activities are expressly approved in writing and in advance by the Athletic Director and the University President, as required by NCAA bylaws, rules and regulations.

(b) Coach agrees that during the term of this agreement he will notify the Athletic Director or his designee of, and obtain permission prior to, any discussions by Coach, his agents or representatives, pertaining to coaching opportunities at any NCAA member institution, or any other coaching or non-coaching positions that may result in termination of his employment at the University. Likewise, Athletic Director or his designee agrees to notify Coach prior to any discussions with other coaches, their agents or representatives pertaining to head coaching opportunities at the University.

(c) Coach agrees that the University shall have the right to use the name, likeness, and image of the Coach in promoting and developing the University's football program, the Athletic program, and in the best interest of the University, including, but not limited to the following: any and all forms of media (whether written, electronic, wireless or any other medium) as well as any University sponsorship agreements provided that such use shall not be in poor taste or reflect negatively upon Coach.

3.04 Fringe Benefits: Coach shall be entitled to the following fringe benefits, which are standard University fringe benefits for head coaches:

(a) Participate in Intercollegiate Athletic Council ("IAC") group insurance and retirement programs and shall be eligible to participate in the voluntary payroll deduction programs as appropriate to Coach's salary as set forth in paragraph 3.02(a);

(b) Two courtesy automobiles comparable in make and model to that provided to men's basketball, women's basketball, baseball and volleyball head coaches, with registration, insurance and business mileage to be paid by the University, or alternatively at the University's discretion, University may provide an \$8,000 annual allowance per vehicle;

(c) Full membership in the Manhattan Country Club;

(d) Golfing privileges at Colbert Hills Golf Course, as available to IAC;

(e) If available, the use of a private suite at The Bill Snyder Family Stadium and twelve (12) football tickets with one parking pass for each home game and ten (10) tickets for each away game. Coach shall also be entitled to six (6) men's basketball tickets in reserved chair back seats or on specialty rows of chaired seating on court level and a parking pass to Bramlage south lot; six (6) women's basketball tickets in reserved chair back seats or on specialty rows of chaired seating on court level and a parking pass to Bramlage south lot. All tickets are for Coach's personal use only, unless otherwise authorized by the Athletic Director or his designee.

(f) The University will arrange for and pay all reasonable moving expenses to relocate the head coach (household and office) to Manhattan, Kansas using a moving company/contractor to be determined by the University, after Coach receives three bids and submits the same to the Athletic Director or his designee.

(g) The University will pay reasonable, temporary housing expenses for Coach during the transition to his new position at the University, for a reasonable period of time and amount as determined by the Athletic Director or his designee, with said time not to exceed three (3) months.

(h) At times the spouse of Coach may travel with Coach for business or team travel purposes. As long as Coach has prior written approval from the Athletic Director or his designee for such travel, the University will provide such travel expenses for Coach's spouse.

3.05 The fringe benefits are subject to change if and when the University's benefit program changes. Coach's fringe benefits will be calculated on his Base Salary, excluding any additional compensation.

3.06 Bonuses.

(a) As a bonus, to supplement Coach's compensation, as set out herein, University agrees to pay the following sums, upon attainment of each specified goal. All bonuses are cumulative, but total annual payment of such incentives shall not exceed \$250,000:

- i.) \$37,500 – Conference Championship game participation;
- ii.) \$37,500 – Conference Championship game win;
- iii.) \$37,500 – Appearance in a NCAA post-season bowl game; or
- iv.) \$75,000 – Appearance in Bowl Championship Series game, but in the event that the BCS is restructured during the term of this agreement, such bonus will apply to the equivalent post-season bowl game; or
- v.) \$150,000 – Appearance in Bowl Championship Series title game, but in the event that the BCS is restructured during the term of this agreement, such bonus will apply to the equivalent post-season championship game;

- vi.) \$10,000 if the team finishes in the Top 25 of the final end of the season poll of the AP or the *USA Today/ESPN* (this bonus is not cumulative, but the highest level of ranking and the bonus associated therewith will be paid);
- vii.) \$15,000 if the team finishes in the Top 10 of the final end of the season poll of the AP or the *USA Today/ESPN* (this bonus is not cumulative, but the highest level of ranking and the bonus associated therewith will be paid);
- viii.) \$20,000 if the team finishes in the Top 5 of the final end of the season poll of the AP or the *USA Today/ESPN* (this bonus is not cumulative, but the highest level of ranking and the bonus associated therewith will be paid);
- ix.) \$25,000 if the home attendance is a "sell-out" for each home game of the entire season.
- x.) \$200,000- Win National Championship (either BCS or AP Poll);
- xi.) \$25,000- Win Conference Coach of the Year;
- xii.) \$35,000- Win Coach of the Year award from any one of the following: *The Sporting News*, *Sports Illustrated*, *ESPN The Magazine*, ESPY Award, the Associated Press, *American Football Monthly*, *Street & Smiths*, *Lindy's Football Annuals*, *Athlon's Football Annuals*, *espn.com*, *cbssportsline.com*, *ABC Sports*, *CBS Sports*, *Fox Sports* or *collegefootballnews.com*;
- xiii.) \$50,000- Win the Bear Bryant Award as the AFCA Coach of the year.

(b) The payments in Section 3.06(a) may be made within thirty (30) days after the conclusion of the last football game of the season, or within thirty (30) days of the award being officially announced, with timing of said payment to be at the discretion of the University.

(c) The parties agree that in the event the football team becomes eligible for a post-season bowl game, one (1) year may be added to this Agreement. In the event that the football team becomes bowl eligible in the third, fourth or fifth Contract Year of this agreement, the parties hereto may agree to extend this agreement for an additional five (5) years.

(d) Upon the successful completion of the initial five (5) year term of this agreement, Coach shall receive a single lump sum payment of \$250,000 payable within 30 days of the anniversary date of said agreement (i.e. December 5, 2010). In the event Coach is terminated "with" or "without cause" during the term of this contract, Coach shall not be entitled to such retention incentive.

3.07 Deductions and Withholding.

All payments and benefits from the University and IAC are subject to normal deductions and withholding for state, local, and federal taxes.

Article IV TERMINATION

4.01 The University has the right to terminate Coach's employment under this Agreement at any time **without cause**, in which event the University will pay Coach:

(a) A sum in the gross amount of \$1,200,000, if termination occurs during or after the 2005-2006 Contract Year; a sum in the gross amount of \$900,000, if termination

occurs during or after the 2006-2007 Contract Year; a sum in the gross amount of \$600,000 if termination occurs during or after the 2007-2008 Contract Year; or a sum in the gross amount of \$300,000 if termination occurs during or after the 2008-2009 Contract Year. Acceptance by Coach of this amount will constitute full settlement of any claim that Coach might otherwise assert against the University, or any of its representatives, agents or employees. Any additional years added to this agreement pursuant to Sect. 3.06(c) will not affect this provision.

(b) Except for the obligation to pay to Coach, the amount set forth in Section 4.01 (a), all obligations of the University (to the extent not already accrued or vested) and IAC to Coach shall cease as of the effective date of such termination. In no case shall the University or IAC be liable for the loss of any Additional Compensation, collateral business opportunities or any other benefits, perquisites or income resulting from activities such as, but not limited to, camps, clinics, media appearances, television or radio shows, apparel or shoe contracts, consulting relationships or from any other sources that may ensue as a result of termination without cause of Coach's employment under this Agreement.

(d) All obligations of Coach under this Agreement or otherwise associated with his employment by the University shall cease as of the effective date of such termination.

4.02 The University has the right to terminate the employment of Coach **for cause** in the event of the following:

(a) Failure of Coach in any material respect to perform the services required of him under this Agreement;

(b) Conviction of Coach of any criminal offense involving fraud; or a felony or an act which results in material injury to the reputation of the University; or an act of dishonesty, which act is materially inimical to the best interests of the University;

(c) Conduct of Coach which offends public decency or morality as shall be determined by the standards prevailing in the community;

(d) Misconduct, unethical conduct, or any other inappropriate or impermissible conduct described in the provisions set forth in Section 4 of the Intercollegiate Athletic Council of Kansas State University, Inc. Employee Manual. The parties agree that the provisions set forth in Section 4, in its entirety, of said Employee Manual are incorporated into this Agreement as cause for discharge under the terms of this Agreement;

(e) Significant or repetitive violation(s) as set forth in Sections 2.04 and 2.05 of this Agreement;

(f) If Coach knows of a serious rule violation of NCAA rules by an assistant coach, staff member, athlete, or other representative of the University's athletic interests and fails to promptly report it to the Athletic Director of the University.

4.03 If the University terminates Coach's employment for cause as specified in Section 4.02, it shall be without liability to Coach, or any other penalty. Specifically:

(a) All obligations of the University to make further payments and/or to provide any other consideration, under this agreement or otherwise, except to the extent already vested, shall cease as of the end of the month in which such termination occurs. In no case shall the University be liable to Coach for the loss of any Base Salary, Additional Compensation, collateral business opportunities, or any other benefits, perquisites or income resulting from activities such as, but not limited to, camps, clinics, media appearances, television or radio shows, apparel or shoe contracts, consulting relationships or from any other sources that may ensue as a result of the University's termination for cause of Coach's employment under this Agreement.

(b) All obligations of Coach under this Agreement or otherwise associated with his employment by the University shall cease as of the effective date of such termination.

4.04 Termination by Coach:

(a) Coach recognizes that his promise to work for the University for the entire term of this five-year Agreement is the essence of this Agreement to the University. Coach also recognizes that the University is making a highly valuable investment in his continued employment by entering into this Agreement and that its investment would be lost if Coach resigns or otherwise terminates his employment with the University prior to the expiration of this Agreement. The parties agree that Coach may, nevertheless, terminate his employment under this Agreement prior to its normal expiration on December 5, 2010, by giving the University thirty days advance written notice of the termination of his employment and under the circumstances set forth below:

- i. If Coach terminates this contract during or after the 2005-2006 Contract Year, Coach will pay to the University within thirty (30) days of such termination a sum in the gross amount of \$1,200,000;
- ii. If termination occurs after the 2006-2007 Contract Year, Coach shall pay to the University within thirty (30) days of such termination a sum in the gross amount of \$900,000;
- iii. If termination occurs after the 2007-2008 Contract Year, Coach shall pay to the University within thirty (30) days of such termination a sum in the gross amount of \$600,000;
- iv. If termination occurs after the 2008-2009 Contract Year, Coach shall pay to the University within thirty (30) days of such termination a sum in the gross amount of \$300,000.

Any additional years added to this agreement pursuant to Sect. 3.06(c) will not affect this provision. Acceptance by the University of the amount specified in this subsection will constitute full settlement of any claim that the University might otherwise assert against Coach, his heirs or assigns.

(b) If Coach terminates his employment under this Agreement prior to its expiration in accordance with this provision or Section 3.01, his compensation and benefits, to the extent not already accrued or vested, shall cease immediately.

(c) This Agreement will terminate automatically upon the death of Coach.

(d) Should Coach voluntarily terminate this Agreement because of conditions beyond his reasonable control, such as disability, accident or illness, there shall be no compensation owed by Coach to the University under the provisions of this paragraph 4.04.

Article V OUTSIDE ACTIVITIES AND INCOME

5.01 Coach may engage in activities outside of his duties for the University and be compensated for those activities, but only so long as those activities do not interfere with performance by Coach of his duties as an employee of the University, or his duties under this Agreement or any University policy. In accordance with NCAA regulations and as set forth in the provisions for Coach's annual appointment to the University, Coach is required to receive, annually, prior written approval from the President of the University for all athletically-related income and benefits from sources outside the institution, which approval will first be sought from the Athletic Director or his designee. Coach's request for approval will be in writing and will include the amount and source of the income. The University agrees that to the extent Coach seeks University consent to engage in any such activity (whether by reason of NCAA rules or otherwise), such consent will not be withheld unreasonably.

5.02 Coach may own and operate a summer football camp at University facilities. The camp must be operated in accordance with the rules, guidelines, policies, and procedures of the IAC, Athletic Department, University, Big 12 and NCAA, and with appropriate financial controls. Within 60 days of the closing of the camp, Coach will provide to the University a full financial accounting of the camp, including a statement of income and expenses, and an accounting of the distribution to University employees and third parties. Coach agrees that he has the right to operate this camp only as long as he is the Head Coach of the football program and that the University will assume the right to operate the camp upon the termination of Coach's employment as Head Coach.

5.03 Coach shall be entitled to utilize University facilities and football game or practice fields in his operation of his camp(s), as provided herein. The University agrees to not schedule any competing events of any type whatsoever on said fields during the times of said camps. The manner means, and details of the camp must be submitted to

and approved by the University prior to the camp being advertised. Coach shall be responsible for any and all facility or other fees and/or expenses (including but not limited to such items as clerical assistance, copy expenses, office supplies, administrative costs, residence halls, swimming pools, practice site etc.) and equipment usage assessed by the University for said camps. The University agrees to charge a commercially reasonable rate, as determined by the Athletic Director or his designee, for the expenses referred to above. At the discretion of the Athletic Director or his designee, the University may agree to place advertising and links to camp websites on the University's official athletic website(s).

Article VI
SCHEDULING GAMES

6.01 Coach shall have primary responsibility for the game schedule for the football team. All scheduling provisions will be reviewed by Coach with the Athletic Director or his designee, and shall be subject to final approval by the Athletic Director.

Article VII
ASSISTANT COACHES

7.01 Coach shall receive a salary pool for nine (9) assistants in the total amount of \$1,250,000 per year and has the authority to recruit, hire, and retain such staff, subject to annual evaluation by Head Coach and with approval of the Athletic Director or his designee. Except for the four (4) coaching positions listed below, such staff will be awarded one-year contracts:

(a) For the following positions: Offensive Coordinator, Defensive Coordinator, Recruiting Coordinator, and Assistant Head Coach, these coaches will receive, subject to annual evaluation by the Head Coach and approval by the Athletic Director or his designee:

- Contracts for a term of three (3) years, with the following buyout clauses: 6-months base salary if the coach leaves in the first Contract Year, decreasing to 3-months base salary in the second Contract Year;
- Retention bonuses as follows: at the end of the third Contract Year, 3-months base salary;

(b) All assistant coaches will be entitled to receive:

- One auto provided to each coach by the University, or a car allowance of \$8,000 per year, to be determined at the Athletic Director's discretion. In the event that a coach leaves prior to the end of a year in which he has received a total car allowance, the coach shall repay the University on a pro-rata basis the unused months of the car allowance;
- A Social Membership at the Manhattan Country Club;

- Golfing privileges at Colbert Hills Golf Course, as available to IAC;
- The University will arrange for and pay reasonable moving expenses to relocate the assistant coaches to Manhattan, Kansas using a moving company/contractor to be determined by the University, after each coach receives three bids and submits the same to the Athletic Director or his designee. This amount is to be repaid if an assistant coach were to leave voluntarily prior to the end of the first Contract Year.
- The University will pay reasonable, temporary housing expenses during the transition to their new positions at the University, for a reasonable period of time and amount, as determined by the Athletic Director or his designee, not to exceed three (3) months.
- Signing bonus of \$5,000, to be paid from Coach's \$1,250,000 budget for staff, with such signing bonus to be repaid if an assistant coach were to leave voluntarily prior to the end of the first Contract Year.
- Each assistant coach may receive up to six (6) complimentary tickets to all regular season Kansas State University athletic events, pursuant to IAC policy. Additionally, the Head Coach shall receive 50 tickets for each home football game to disseminate among his assistant coaches as he sees fit. Such tickets must be used by the coaching staff for their personal use only.
- Incentives: Assistant coaches will be entitled to receive the following incentive bonuses, which are cumulative:

i.) 1/12 of annual base salary for Conference Championship game participation;

ii.) 1/12 of annual base salary for Appearance in a NCAA post-season bowl game;

iii.) 1/12 of annual base salary for Appearance in Bowl Championship Series game.

7.02 Coach will manage the operating and recruiting budget for the football program, with such budget to be consistent with prior budgets for the University's football program and subject to the final approval by the Athletic Director or his designee.

7.03 As set forth in Section 9.04, these provisions are intended only to outline the agreement between Coach and the University and may not be enforced by, or on behalf of, any third-party beneficiary of the agreement.

Article VIII
FOOTBALL PROGRAM RECORDS AND MATERIALS
AND UNIVERSITY TRADEMARKS

8.01 All materials or articles of information, including, without limitation, personnel records, recruiting records, team information, films, statistics or any other material or data furnished to Coach by the University, or developed by Coach on behalf of the University or at the University's direction or for the University's use or otherwise in connection with Coach's employment hereunder, shall remain the sole property of the University.

8.02 Nothing in this Agreement shall constitute permission or license for Coach to use or to authorize third parties to use the University's trademarks in connection with any outside employment. A license to use the University's trademarks must be obtained from and approved by the appropriate University trademark and licensing officials, or any agent of the University authorized to contract on its behalf. Further, nothing in this Agreement shall constitute permission or license for Coach to modify or change any existing trademarks or to create new trademarks for the University or its football program without the express written consent of the University President and Athletic Director, or their designees.

Article IX
MISCELLANEOUS

9.01 This Agreement will be governed by and construed in accordance with the laws of the State of Kansas.

9.02 Whenever possible, each provision of this Agreement will be interpreted in such manner as to be enforceable, valid and legal under applicable law. If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, invalid or illegal in any respect under applicable law, such unenforceability, invalidity or illegality will not effect any other provision of this Agreement and this Agreement will be construed as if such unenforceable, invalid or illegal provision had never been contained in this Agreement.

9.03 This Agreement shall not be assigned by either party.

9.04 This Agreement is for the sole benefit of the parties hereto and may not be enforced by any third party.

9.05 The section and paragraph headings contained in this agreement are for reference purposes only and will not affect in any way the meaning or interpretations of this Agreement. The recitals at the beginning of this Agreement are, and shall be construed as, substantive provisions of this Agreement.

9.06 With the exception of the provisions of each annual appointment entered into by and between Coach and the University which are hereby incorporated by reference, this Agreement supersedes all prior agreements with respect to the subject matter hereof and constitutes the entire agreement between the parties hereto and may be modified only in a writing signed by the President of the University, the Athletic Director, and Coach.

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

Executed as of the ^{28th} day of ^{February} ~~December~~, 200⁶.

For KANSAS STATE UNIVERSITY



By: Dr. Jon Wefald, President

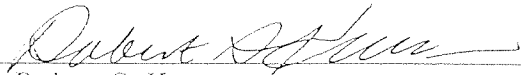
Date: 2/28/06

For COACH



Ron Prince, Head Coach


Date: 12/23/06



By: Robert S. Krause
Vice President for Institutional Advancement

Date: 2/28/06

For INTERCOLLEGIATE ATHLETIC COUNCIL
OF KANSAS STATE UNIVERSITY, INC. (IAC)



By: Tim Weiser, Athletic Director

Date: 2/28/06