



Office of Athletics Compliance

Outside Income Agreement

This form is to be used by athletics department staff members and full or part-time coaches (head or assistant) as a means of reporting annual athletically related income and benefits received from sources outside the institution which are not already contained in an employees contract.

TO COMPLETE: Please indicate in the space below the actual dollar amount received for all athletically related income for the term **January 1, 2006 - December 31, 2006**. If you did not receive any athletically related income, please check the box, sign the form and return it to the Office of Athletics Compliance.

Check here if no outside income was earned for the previous academic year.

Source of Athletically Related Income	Actual Dollar Amount
Use of a Vehicle	\$ 7,000
Speaking Engagements	\$ 3,000.00
Sports Camps or Clinics	
Complimentary Ticket Sales	
Endorsement or Consultation Contracts (circle one)	
A. Athletic Shoes	
B. Apparel	\$ 2,000
C. Equipment	
<i>Wilson</i>	
Television/Radio Appearances or Commercials	
Income from Corporations in Exchange for Charitable Work	
Annuities	
Salary Supplement	
Housing Benefits	
Country Club Membership (from outside the department)	
Other (please specify)	

I hereby certify that the above information is true and accurate and conforms to all NCAA, conference and institutional regulations governing outside income. I will notify the chief executive officer of any new information or sources of income that may occur in the future.

Ralph Friedgen
Athletic Department Staff Member (print)

Ralph Friedgen
Signature

3/15/07
Date

Chief Executive Officer Approval:

CEO (print)

Signature

Date

UNIVERSITY OF MARYLAND
HEAD COACH AGREEMENT
2004

THIS UNIVERSITY OF MARYLAND HEAD COACH AGREEMENT 2004 is made by and between the University of Maryland College Park (the "University") and Ralph Friedgen (the "Coach"). It amends and supercedes the Amended University of Maryland Head Football Coach Agreement signed between the parties on October 14, 2002, the Amendment to the Head Football Coach Agreement dated September 17, 2003, and the Second Amendment to Head Football Coach Agreement dated April 13, 2004.

WITNESSETH

WHEREAS, the University and the Coach are parties to the above agreements dated October 14, 2002, September 17, 2003, and April 13, 2004; and,

WHEREAS, in recognition of the unique accomplishments of the Coach in the performance of his responsibilities and the national recognition his achievements have brought the University and its Intercollegiate program, the parties now desire to make changes to the above agreements, including among other things changes to the Coach's responsibilities, obligations, compensation, and performance bonuses; and,

WHEREAS, the parties believe a comprehensive revised document to be known as the University of Maryland Head Coach Agreement 2004 (the "2004 Agreement") incorporating the above agreements and the changes and deletions now desired by the parties is desirable.

NOW THEREFORE, in consideration of the promises made herein which inure to the mutual benefit of the parties and for other good and valuable consideration, the parties agree as follows.

1. EMPLOYMENT

Subject to the conditions stated in the provisions of this Agreement, the University hereby employs the Coach as Head Coach of the men's varsity football team at the University, and the Coach hereby agrees to and does accept the terms and conditions for said employment outlined herein. The Coach shall perform such duties as may be assigned in connection with supervision and administration of the football program, and such other duties and responsibilities usual and customary to a head football coaching position in an intercollegiate program, as may be assigned by the University. The Coach shall work under the immediate supervision of, and

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report directly to, the Athletic Director of the University (the "Athletic Director"), and shall confer with the Athletic Director on all matters requiring administrative and technical decisions.

2. TERM

The term of this 2004 Agreement shall begin on July 1, 2004, and end on January 2, 2012, unless sooner terminated in accordance with other provisions herein. This 2004 Agreement in no way grants the Coach a claim to tenure in employment or any years of employment attributable to tenure within the University.

3. COMPENSATION

In consideration for services and the continuous satisfactory performance of the conditions of this 2004 Agreement by the Coach, the University promises to pay the Coach:

- 3.1 An annual salary of Two Hundred Ten Thousand Seven Hundred and Ninety Dollars (**\$210,790**) payable in equal installments at the end of each University pay period.
- 3.2 An annual increase in salary to be effective in each succeeding fiscal year. This increase will be comprised of:
 - (a) a cost-of-living increase when authorized by the State of Maryland for Exempt employees of the University and in an amount no less than the authorized amount; and,
 - (b) a merit pay increase in an amount to be determined by the Athletic Director.
- 3.3 Except as herein provided, the Coach shall be entitled to the same non-financial personnel benefits that are provided to the University's Exempt employees, except for annual leave, which is not a benefit provided under this 2004 Agreement.
- 3.4 The foregoing compensation shall be subject to the same payroll deductions (for example, state and federal taxes, FICA withholding, and retirement plans) that apply to the University's Exempt employees.

4. COACH'S DUTIES

In consideration of the annual salary, other benefits and compensation which may become due and payable to the Coach under provisions of this Agreement, the Coach does promise and agree as follows:

- 4.1 Faithfully and conscientiously to perform the duties assigned by the Athletic Director and the President of the University (the "President") as specified in Paragraph 1, above and to maintain the high moral and ethical standards commonly expected of the Coach as a leading representative of the Department of Intercollegiate Athletics at the University.
- 4.2 To devote such time and attention and energy to the duties of Head Football Coach as are required to faithfully discharge the duties as set forth herein, and as are required for promotion of the University's Athletic program; and to avoid any business or professional activities or pursuits that will conflict with his performance of his duties under this 2004 Agreement, or will otherwise interfere with the University's interests.
- 4.3 To recognize and comply with the laws, policies, rules, and regulations of the University, the National Collegiate Athletic Association (the "NCAA"), and the Atlantic Coast Conference (the "ACC") as now constituted or as may be amended during the term hereof. The Coach shall be responsible, through education and monitoring, to ensure all assistant coaches, trainers, staff, student-athletes and other persons affiliated with the football program comply with the aforesaid policies, rules, and regulations. The Coach shall be accountable for violations by any coach, staff member, student-athlete or other person under the Coach's supervision or control; provided, with reasonable foresight and knowledge he should have prevented the occurrence. The Coach shall immediately inform the Compliance Officer of any suspected violation and assist the investigation and reporting thereof.
- 4.4 To acquit himself at all times in a professional and sportsman-like manner. The Coach recognizes he is a highly visible representative of the University, whose conduct, both on and off the field, affects the reputation of the institution, the viability of its athletic programs and contracts, and the well-being of its student-athletes. The Coach will avoid profane, discourteous, or insulting behavior towards student-athletes, spectators, and members of the media.

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- 4.5 Except as may be authorized in advance by the University's Professional Sports Counseling Panel and thereafter reported to it, to avoid contact with any person known to be acting or have a history of acting as a sports agent, a "runner," or any other individual employed by or performing services for them. The Coach may, however, contact his legal counsel, Jack Reale, concerning this Head Coach Agreement and other matters of a professional or legal nature personal to himself. The Head Coach will conscientiously observe and enforce the regulations governing amateurism and the relationship between sports agents and student-athletes at the University.
- 4.6 The Coach agrees that academic progress and achievement of the student-athletes under his supervision is of the highest importance. The Coach agrees to adhere to the University's standards for the academic performance of its student-athletes in his recruitment, supervision, and coaching of players. The Coach will set annual grade-point average goals for the team and report these to the Athletic Director. He will be actively involved in remedying absences from classes, tutorial services, and study tables. The Coach agrees to follow diligently any directives from the Athletic Director or from the President concerning such matters.
- 4.7 The Coach agrees to be available for media or other public appearances at such times as the University, through the Department of Intercollegiate Athletics, may reasonably designate.
- 4.8 The Coach agrees to conscientiously observe all University, NCAA and ACC rules pertaining to outside income.
- (a) The Coach will notify the Athletic Director before negotiating for or receiving any athletically related income or benefits from sources outside the University. These sources include, but are not limited to:
- i. Annuities;
 - ii. Sports Camps;
 - iii. Housing benefits (including preferential housing arrangements);
 - iv. Country-club memberships;
 - v. Complimentary ticket sales;
 - vi. Television and radio programs;
 - vii. Endorsement or consultation contracts;

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- viii. Internet activities, including websites; and,
- ix. Other promotions.

If the Athletic Director does not prohibit, in writing and on a reasonable basis, such activity, income or benefits within seven days of notice by the Coach, the Coach shall be entitled to engage in such activity and receive such income or benefits.

- (b) By June 30th of each year, the Coach will submit a written detailed account to the Athletic Director describing any athletically related income and benefits received from sources outside the University during the fiscal year. The form of this report shall be determined by the Athletic Director. The Athletic Director may require reasonable additional or verifying information. The report shall be forwarded to the President for his information

4.9 With regard to outside income, the Coach, or his duly appointed assignees, reserves the sole right to control the use of his image in any advertising of products or services. In connection therewith, the Coach is authorized to represent himself as the Head Foot ball Coach of the University during the term of this 2004 Agreement and to appear in clothing containing the University's logos, and/or other insignia, both on and off University premises.

5. RADIO AND TELEVISION APPEARANCES

5.1 The University, through the Department of Intercollegiate Athletics, will exercise reasonable efforts to obtain radio and television appearances for the Coach. Any revenue generated by such appearances shall be the sole and exclusive property of the University. In any year in which the University requires the personal appearance of the Coach in connection with any radio or television agreement, the University will guarantee to pay the Coach Five Hundred Fifty One Thousand Dollars (**\$551,000**) for the non-exclusive use of Coach's services. Payment for these services shall be made on August 15th during each fiscal year in which the Coach's services are rendered unless otherwise provided in any Deferred Compensation Arrangement referenced in Paragraphs 5.2 and 5.3, below.

5.2 Coach elects and the University agrees that Five Hundred Thousand Dollars

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(\$500,000) of the compensation guaranteed in Paragraph 5.1, above, shall be deferred and paid in accordance with the Deferred Compensation Agreement dated October 14, 2002 and the Rabbi Trust Agreement Under Deferred Compensation Agreement dated October 14, 2002 (the “Deferred Compensation Arrangements”). The Deferred Compensation Arrangements are not extinguished by the signing of this University of Maryland Head Coach Agreement 2004 and are incorporated fully herein by reference; provided, however, effective July 1, 2004, each is hereby amended *mutatis mutandis* to:

- (a) increase prospectively the Deferred Compensation sum from Three Hundred Thousand Dollars (\$300,000) to Five Hundred Thousand Dollars (\$500,000); and,
- (b) refer to Paragraph 5.2 of this 2004 Agreement in place of Paragraph 6.3 of the October 14, 2002 “Employment Agreement;”and,

The Deferred Compensation Arrangements are attached hereto as Exhibits 1 and 2, respectively.

5.3 The Coach may apply to the Internal Revenue Service (the “IRS”) for a ruling with respect to one or more of the Deferred Compensation Arrangements. If the IRS delivers an unsatisfactory ruling (as determined in the sole discretion of the Coach and his tax advisors) with respect to any previously implemented Deferred Compensation Arrangement, the University shall:

- (a) To the extent the amounts under such Deferred Compensation Arrangements are in the University’s control, pay to the Coach such amounts (and any earnings accrued thereon) within thirty (30) days of a written request thereof from the Coach (or his counsel) to the Athletic Director; and,
- (b) To the extent the amounts deferred under such Deferred Compensation Arrangements are not within the University’s control, it will use its best efforts to assist the Coach in obtaining payment of such amounts (and any earnings accrued thereon) at the earliest time allowed by law.

6. PERSONAL APPEARANCES ON BEHALF OF UNIVERSITY

The Coach shall be available for media and other public or private appearances at such times and places as the University, through the Director of Intercollegiate Athletics, may reasonably require and determine to be beneficial to promoting the University and its Intercollegiate Athletic Program. The Coach shall comply in all material respects with such requests. For these services faithfully performed by Coach during the fiscal year beginning July 1, 2004, and for such services performed in each fiscal year thereafter in which the Coach is employed as Head Coach, the University will pay Ralph Friedgen Enterprises, Inc., Two Hundred Fifty Thousand Dollars (**\$250,000**). Payment for these services shall be made on August 15th following the end of the fiscal year in which the Coach's appearances occur.

7. FUND RAISING ACTIVITIES

The Coach shall be available for public and private fund raising and development activities at such times and places as the University, through the Director of Intercollegiate Athletics, may reasonably require and determine to be beneficial to the University and its Intercollegiate Athletic Program. The Coach shall comply in all material respects with such requests. Fund raising shall include, but is not to, activities to foster the continued growth of the Terrapin Club and the Maryland Gridiron Network, to cultivate potential donors, and to solicit major gifts to finance the current and possible future expansion of football facilities. It is understood that the department might require the Coach to participate in events organized by sponsors of the Intercollegiate Athletic program. For fund raising services faithfully performed during the fiscal year beginning July 1, 2004, and for such services performed in each fiscal year thereafter in which the Coach is employed as Head Coach, the University will pay Ralph Friedgen Enterprises, Inc., Three Hundred Thousand Dollars (**\$300,000**). Payment for these services shall be made August 15th following the end of the fiscal year in which the Coach's fund raising services are rendered.

8. SERVICE, EQUIPMENT AND APPAREL ENDORSEMENTS

8.1 The University reserves the exclusive right to contract with commercial firms regarding the procurement or endorsement of equipment, apparel or services that may be worn or used by student-athletes or Athletic Department personnel in practices and public performances. Any revenue

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generated by such agreements shall be the sole and exclusive property of the University. In any one calendar year, the Coach agrees to personally appear on behalf of the University up to four (4) ²⁻¹¹⁻⁰⁴ times in connection with any service, equipment or apparel agreement, provided such appearances are at times and places mutually convenient and compatible with University responsibilities. The Coach will be reimbursed for all reasonable expenses incurred by him at the direction of the University in the performance of his obligations under this Paragraph. On a case-by-case basis, if on the prior request of the Coach, the University determines that, taking into consideration the nature or duration of these obligations, it is reasonable the Coach's wife accompany him, then it will reimburse the Coach all reasonable travel expenses incurred by him on account thereof. In any year in which the University requires the personal services of the Coach in connection with any service, equipment or apparel agreement, the University will guarantee to Ralph Friedgen Enterprises, Inc., a payment of Two Hundred Thousand Dollars (**\$200,000**). Payment for these services shall be made in two equal installments of One Hundred Thousand Dollars (\$100,000) each on August 15th and February 15th during each fiscal year in which the Coach's personal services have been rendered.

- 8.2 In accordance with the October 14, 2002, and April 13, 2004, employment agreements between the parties, the Coach has been eligible to receive part or all of his compensation for Service, Equipment, and Apparel Endorsements as deferred compensation. In accordance with the Deferred Compensation Arrangements, the University has heretofore transferred \$300,000 a year in each contract year to an Irrevocable Trust established by the Coach. The most recent \$300,000 was transferred to the Trust on August 31st 2003. It is agreed between the parties that following the August 31st 2004 transfer of \$300,000 to the Trust, the University shall not be obligated to pay or otherwise set aside any further sums under the Deferred Compensation Arrangements as compensation for the Coach's personal services in connection with any service, equipment or apparel agreement. Compensation for these services in the fiscal year beginning July 1, 2004 and thereafter shall be paid in the amounts and manner set forth in Paragraph 8.1, above.
- 8.3 Except as expressly provided in Paragraph 5 ("Radio and Television"), Paragraph 8 ("Service, Equipment and Apparel Endorsements"), and Paragraph 9 ("Football Camps"), if the Coach desires to engage in any

endorsement, consulting, or broadcasting activities for a fee, the Coach shall first notify the Athletic Director in writing. If the Athletic Director does not prohibit, in writing and on a reasonable basis, such activity within 7 days of notice by the Coach, the Coach shall be entitled to engage in such activity.

9. FOOTBALL CAMPS

9.1 The right to sponsor and operate a football summer camp (the "Camp") on University premises belongs the University, acting through the Department of Intercollegiate Athletics (the "ICA"). The right to sponsor and operate a Camp is automatically conveyed by the University to the Coach on a yearly basis on January 1st unless ICA earlier notifies the Coach in writing that it does not so convey. Upon conveyance pursuant to this clause, the Coach or his corporate assignee has the right to sponsor and operate a Camp under his name on the University premises, pursuant to applicable University rules and on a space-available basis. Any direct costs for operating the Camp will be borne solely by the Coach and any profits will accrue to him. The Coach is directly responsible to any other University department for services provided by them. Failure to adhere to these terms will be considered a breach of this Agreement.

9.2 Operation of a Camp substantially benefits the University and its football program by:

- (a) creating ties to the local community;
- (b) enhancing the program's prestige and visibility.

The Coach shall operate the Camp with these goals in mind and shall at all times observe applicable University rules in connection with its operation.

9.3 The Coach shall not endorse or approve any other sports camps sponsored and operated by employees under his supervision without the specific written approval of the Director of Athletics.

10. ADDITIONAL FINANCIAL MATTERS

10.1 The Coach shall conduct such travel as is necessary to carry out his duties as Head Football Coach and shall be entitled to reimbursement for travel

expenses pursuant to the University's rules and rates therefor.

- 10.2 The University, through the ICA, will provide the Coach with Five Hundred Dollars (**\$500.00**) a month during the term of this 2004 Agreement to lease a late-model luxury automobile for his personal use. If the Coach is married, he will receive an additional Five Hundred Dollars (**\$500.00**) a month during the remainder of the term of this 2004 Agreement to lease a second late-model luxury automobile. Anything to the contrary notwithstanding in this Paragraph 10.2, the Coach may use any car allowance received from the University as he sees fit.
- 10.3 The Coach shall receive use of one football suite in Byrd Stadium and twenty four (24) regular season and bowl football tickets in each year during the life of this Agreement. The Coach will not offer these tickets for use by a person working (or who has worked) as a sports agent or a person employed by or performing services for a sports agent without the prior written approval of the Athletic Director. The Coach may, however, offer tickets to his legal counsel, Jack Reale, for the personal use of Jack Reale and his family. If during the Term of this Agreement Byrd Stadium is expanded to create new suites, then for the remainder of the term of this Agreement and in lieu of the above promised suite, Coach will receive use of one of the new double suites.
- 10.4 The University shall pay the Coach a bonus in each year the football team is selected to compete and he coaches it in a Post-Season Bowl game. Beginning with the 2004 regular season, the bonus shall be:
 - (a) \$300,000 if the football team finishes the regular season in sole possession of the first place in the ACC football standings.
 - (b) \$250,000 if the football team finishes the regular season in a two-way tie for first place in the ACC football standings.
 - (c) \$200,000 if the football team finishes the regular season in a three-way tie for first place in the ACC football standings.
 - (d) \$125,000 if the football team finishes the regular season in a four-way tie for first place in the ACC football standings.

- (e) \$150,000 if the football team finishes the regular season in sole possession of second place in the ACC football standings.
- (f) \$100,000 if the football team finishes the regular season in a two-way tie for second place in the ACC football standings.
- (g) \$75,000 if the football team finishes the regular season in a three-way tie for second place in the ACC football standings.
- (h) \$70,000 if the football team finishes the regular season in a four-way tie for second place in the ACC football standings.
- (i) \$80,000 if the football team finishes the regular season in sole possession of third place in the ACC football standings.
- (j) \$60,000 if the football team finishes the regular season in a two-way tie for third place in the ACC standings.
- (k) \$55,000 if the football team finishes the regular season in a three-way tie for third place in the ACC standings.
- (l) \$50,000 if the football team finishes the regular season in a four-way tie for third place in the ACC standings.
- (m) \$55,000 if the football team finishes the regular season in sole possession of fourth place in the AAC standings.
- (n) \$50,000 if the football team finishes the regular season in a two-way tie for fourth place in the ACC standings.
- (o) \$45,000 if the football team finishes the regular season in a three-way tie for fourth place in the ACC standings.
- (p) \$40,000 if the football team finishes the regular season in a four-way tie for fourth place in the ACC standings.
- (q) \$45,000 if the football team finishes the regular season in sole possession of fifth place in the ACC standings.

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- (r) \$40,000 if the football team finishes the regular season in a two-way tie for fifth place in the ACC standings.
- (s) \$35,000 if the football team finishes the regular season in a three-way tie for fifth place in the ACC standings.
- (t) \$30,000 if the football team finishes the regular season in a four-way tie for fifth place in the ACC standings.
- (u) \$35,000 if the football team finishes the regular season in sole possession of sixth place in the ACC standings.
- (v) \$30,000 if the football team finishes the regular season in a two-way tie for sixth place in the ACC standings.
- (w) \$25,000 if the football team finishes the regular season in a three-way tie for sixth place in the ACC standings.
- (x) \$20,000 if the football team finishes the regular season in a four-way tie for sixth place in the ACC standings.

The University's obligation under this Paragraph 10.4 will be paid to the Coach on March 1st of each year during the life of this 2004 Agreement.

10.5 Each academic year during the term of this 2004 Agreement the Coach will be eligible to receive a bonus depending on the graduation rates of student-athletes in the men's football program. "Graduation Rate" shall mean the six-year graduation rate as reported by the NCAA for the most recent reporting.

- (a) The University will pay the Coach a bonus of Two Hundred Thousand Dollars (\$200,000) if the graduation rate of the men's football program is 86% or higher.
- (b) The University will pay the Coach a bonus of One Hundred and Fifty Thousand Dollars (\$150,000) if the graduation rate of the men's football program is less than 86%, but greater than or equal to 76%.
- (c) The University will pay the Coach a bonus of One Hundred

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Thousand Dollars (\$100,000) if the graduation rate of the men's football program is less than 76%, but greater than or equal to 65%.

For the purpose of calculating these graduation rate percentages, fractions will be rounded to the nearest whole number. The graduation rate bonuses may not be independently earned and are not cumulative in nature.

Graduation rate bonuses shall be paid to the Coach within sixty (60) days from the date the NCAA report is available to the University.

10.6 Each fiscal year during the term of this 2004 Agreement the University will pay the Coach a bonus of Fifty Thousand Dollars (\$50,000), if with regard to all football student-athletes, the Coach, and any other member of the coaching football staff:

- (a) There are no violations of the University's *Code of Student Conduct* or its *Code of Academic Behavior* that results in any actions by the Office of Judicial Programs.; and,
- (b) There are no arrests, indictments, or convictions for any criminal or suspected criminal conduct; and,
- (c) There has occurred no neglect or willful conduct which the Athletic Director concludes violates the NCAA constitution or the NCAA Operating Bylaws, especially those pertaining to ethical conduct.

Payment will be made on August 15th following the end of the fiscal year in which the bonus is earned.

10.7 The salary, guaranteed payments and bonuses set forth in Paragraphs 3.1 (Annual Salary), 5.1 (Radio and Television payment), 6 (Personal Appearance payment), 7 (Fund Raising payment), 8.1 (Service, Equipment and Apparel Endorsement payment), 10.4 (ACC Standing Bonus), 10.5 (Graduation Rate Bonus), and 10.6 (Conduct Bonus) will each be increased not less than five percent (5%) beginning July 1, 2005 and thereafter be increased not less than 5% in each subsequent fiscal year during the remaining balance of the term of this 2004 Agreement.

11. TERMINATION

11.1 Notwithstanding Paragraph 2, this 2004 Agreement shall terminate upon the occurrence of any of the following contingencies, and except for the payment of any salary or other compensation, or installments thereof, which have accrued for service performed as of the date of termination, the rights and obligations of the parties shall cease:

- (a) In the event of the Coach's death or permanent disability. A disability shall be permanent for the purposes of this Paragraph if the Coach is unable to perform his normal and customary duties for a continuous period in excess of 180 days.
- (b) In the event of the Coach's resignation from University employment or upon his acceptance of other employment (subject to Paragraph 12, below).
- (c) In the event of cause as determined by the Athletic Director; provided however, the Coach will first receive written notice and be accorded an opportunity to be heard in a meeting with the Athletic Director. The decision of the Athletic Director shall be final.

Cause shall include material misconduct, moral turpitude, a pattern of unprofessional or unsportsmanlike behavior, insubordination, refusal, neglect, or failure to render services or otherwise fulfill completely the duties and obligations established in this 2004 Agreement. Cause includes neglect or willful conduct which the Athletic Director concludes violates the NCAA Constitution or the NCAA Operating Bylaws, especially those pertaining to Ethical Conduct. Cause also includes a determination under NCAA enforcement procedures that the Coach has engaged in significant or repetitive violations of said Constitution or Bylaws.

The Athletic Director may suspend (with pay) or reassign the Coach pending an investigation, decision or other matter relating to the existence of cause for termination.

11.2 In addition to the reasons for termination set forth in Paragraph 11.1, the performance of work under this 2004 Agreement may be terminated by the University whenever the University determines that termination is in its best interests. Any such termination shall be effected by delivery to the Coach

of a written Notice of Termination specifying the date upon which such termination becomes effective. In the event of a termination pursuant to this clause, the Coach or Ralph Friedgen Enterprises, Inc. shall be entitled to continue to receive the payments set forth below for the remaining term of this Agreement as if he were still employed:

- (a) The salary as provided in Paragraph 3.1 to Coach;
- (b) The Radio and Television Appearance payment provided in Paragraph 5.1 to Coach;
- (c) The Personal Appearances payment provided in Paragraph 6 to Ralph Friedgen Enterprises, Inc.;
- (d) The Fund Raising payment provided in Paragraph 7 to Ralph Friedgen Enterprises, Inc.;
- (e) The Service, Equipment and Apparel Endorsement payment provided in Paragraph 8.1 to Ralph Friedgen Enterprises, Inc.; and,
- (f) The automobile payment provided in Paragraph 10.2 to Coach.

In the event the Coach secures other employment during the remaining portion of the original term of this 2004 Agreement, he is obligated to notify the University in writing of the terms of that employment, including salary and any additional compensation. The University has the right to reduce its continuing payment obligations to the Coach to the extent that he earns other salary and additional compensation.

12. ACTIONS OTHER THAN TERMINATION

12.1 Notwithstanding anything in Paragraph 11.1 (c), above, in the event the Athletic Director determines the Coach to have engaged in misconduct or neglect of the character described therein, it shall lie in the discretion of the Athletic Director to take action other than termination; provided, however, the Coach will first receive written notice and be accorded an opportunity to be heard in a meeting with the Athletic Director. The decision of the Athletic Director shall be final. Actions the Athletic Director may take include, but are not limited to, a written reprimand, a suspension with pay, a suspension up to 45 days without the compensation set forth in Paragraph 3.1, and loss of the next regularly scheduled planned salary increment or merit raise.

12.2 The Athletic Director may suspend (with pay) or reassign the Coach

pending an investigation, decision or other matter relating to the existence of cause for action under this Paragraph.

13. OTHER EMPLOYMENT

- 13.1 The Coach hereby represents to have special, exceptional, and unique knowledge, skill, and ability as a football coach which, in addition to future acquisitions of coaching experience at the University, as well as the University's special need for continuity in its football program, will render the Coach's services unique. The Coach recognizes that the loss of Coach's services to the University, without University approval and release, prior to the expiration of the term of this 2004 Agreement or any renewal thereof, would cause an inherent loss to the University which cannot be estimate with certainty, or fairly or adequately compensated by money.
- 13.2 The Coach therefore agrees, and hereby specifically promises, not to accept employment, under any circumstances, as a football coach at any institution of higher education which is a member of the NCAA, or for any football team participating in any professional league or conference prior to the expiration date of the term of this 2004 Agreement or any extension thereof.
- 13.3 The Coach agrees that the University shall have the right, in addition to any other rights which the University may possess, to obtain an injunction by appropriate judicial proceedings to prevent the Coach from coaching or performing activities related thereto in violation of this 2004 Agreement for any person, institution, firm, corporation, or other entity; and against any other breach of this contract; and the Coach further agrees to indemnify the University for its costs in any injunction proceeding in which the University prevails, including court costs and attorney fees.
- 13.4 If the Coach seeks release from this 2004 Agreement or otherwise seeks in any manner to void this Agreement prior to the end of its term, or accepts other employment in violation of Paragraph 13.2, then as reasonable liquidated damages the Coach shall be required to reimburse the University One Million Dollars (\$1,000,000). It is understood this One Million Dollars does not constitute a penalty, but rather, a reasonable formula for estimating the resultant costs to the University, including:
- (a) Expenses associated with a search for a new head coach;

- (b) Expenses associated with paying two staffs of assistant coaches;
- (c) Moving and relocation expenses of the new head coach and assistant coaches;
- (d) Loss of revenue in ticket sales; and,
- (e) Disruption of fund raising activities and loss of gifts and donations.

13.5 In the event the University materially changes the academic retention standards from those in effect during the academic year 2004-05, and, taking the football team as a whole, this change demonstrably prevents the Coach from retaining student-athletes despite reasonable efforts to the contrary, then Paragraph 13 shall not apply.

14. SUPPORT STAFF AND FACILITIES

The Coach shall have the right to select and retain nine assistant coaches, subject to the approval of the Athletic Director.

15. RELATIONSHIP BETWEEN THE PARTIES

The relationship between the Coach and the University shall be determined solely by the terms and conditions of this 2004 Agreement.

16. GUARANTEE OF PERFORMANCE

The October 14, 2002 Guarantee of Performance signed by Coach guaranteeing the performance of Ralph Friedgen Enterprises, Inc., is not extinguished by the signing of this 2004 Agreement and is incorporated fully herein by reference; provided, however, effective July 1, 2004, it is hereby amended to absolutely and unconditionally guarantee the performance of all the obligations of Ralph Friedgen Enterprises, Inc., in this 2004 Agreement.

17. LIMITATION OF REMEDIES

The parties agree that neither party shall be liable for any collateral or consequential damages of any kind, including damages for lost collateral business opportunities or compensation arrangements set forth herein, or for costs and attorney fees in the event of a breach hereunder unless otherwise expressly agreed in this 2004 Agreement..

18. ASSIGNMENT

Neither party may assign, transfer, alienate, or encumber any of its rights or obligations hereunder without the express written consent of the other party except as otherwise specifically set forth in this 2004 Agreement.

19. GOVERNING LAW

This 2004 Agreement shall be governed by and construed under the laws of the State of Maryland.

20. SEVERABILITY

If any provision of this 2004 Agreement shall be determined to be void, invalid, unenforceable, or illegal for any reason, it shall be ineffective only to the extent of such prohibition and the validity and enforceability of all the remaining provisions shall not be affected thereby.

21. MODIFICATIONS

This 2004 Agreement constitutes the entire understanding between the University and the Coach and may not be altered except by a written amendment duly executed by both parties.

22. DISCLOSURE

This 2004 Agreement is subject to disclosure under Maryland law. Whenever reasonably permitted, the University shall give Coach advanced notice of any such disclosure.

23. NOTICE

Any notice required or permitted to be given hereunder shall be sent in writing and delivered personally or by certified mail return receipt requested, postage prepaid, to the person named herein.

If to the Coach:

Ralph Friedgen

If to the University

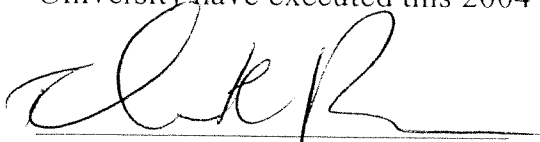
Deborah A. Yow

Football Office
Football Team House
College Park, Maryland 20740

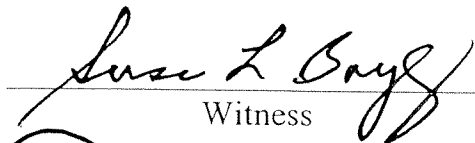
Athletic Director's office
Cole Field House
College Park, Maryland 20740

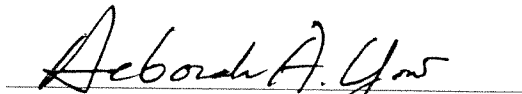
A copy shall be sent to Jack T. Roach, Executive Assistant to the President, Office of the President, University of Maryland, College Park, Maryland 20742.

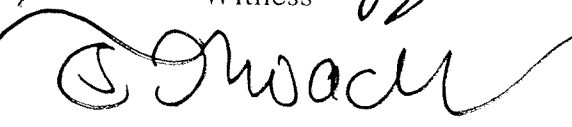
IN WITNESS WHEREOF, the Coach and the authorized representatives of the University have executed this 2004 Agreement on this 20th day of August, 2004.

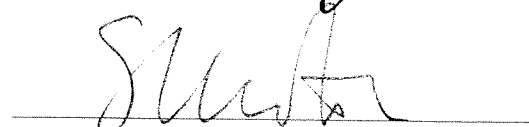

Witness

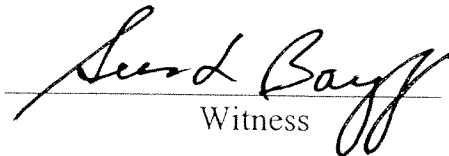

Ralph Friedgen, Coach

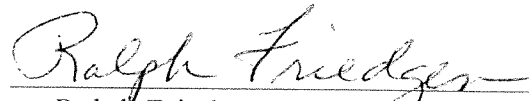

Witness


Deborah A. Yow, Athletic Director


Witness


C. D. Mote, Jr., University President


Witness


Ralph Friedgen Enterprises, Inc.

University of Maryland

Outside Income Agreement (Bylaw 11.2.2)

NCAA Bylaw 11.2.2 - Athletically Related Income

This form is to be used by athletic department staff members and full-time coaches (head or assistant) as a means of reporting annual athletically related income and benefits received from sources outside the institution which are not already contained in an employees contract.

TO COMPLETE: Please indicate in the space below the actual dollar amount received for all athletically related income for the term **September 1, 2003 - August 31, 2004.** If you did not receive any athletically related income, please check the box, sign the form and return it to the Office of Athletic Compliance.

Check here if no outside income was earned for the previous academic year.

Source of Athletically Related Income	Actual dollar amount
Use of a Vehicle	\$ 6,000
Speaking Engagements	\$ 6,500
Sports Camps or Clinics	
Complimentary Ticket Sales	
Endorsement or Consultation Contracts (circle one)	
A. Athletic Shoes	\$ 3,000
B. Apparel	2,000
C. Equipment	
Television Appearances or Commercials	
Radio Appearances or Commercials	
Income from corporations in exchange for charitable work	
Annuities	
Salary Supplement (From outside the department)	
Housing Benefits	
Country-Club Membership (From outside the department)	7,000
Other (please specify below)	

I hereby certify that the above information is true and accurate and conforms to all NCAA, conference and institutional regulations governing outside income. I will notify the chief executive officer of any new information or sources of income that may occur in the future.

Ralph Friedgen
Athletic Staff Member/ Coach - **PRINT NAME**

Ralph Friedgen
Signature

8/18/04
Date

CHIEF EXECUTIVE OFFICER APPROVAL

C.D. Mote, Jr.

Date