

**EMPLOYMENT CONTRACT  
STATE OF TEXAS  
COUNTY OF LUBBOCK**

This Employment Contract (the "Agreement") is made and entered into this the \_\_\_\_\_ day of April, 2019 by and between Texas Tech University, herein called "University" and Christopher Michael Beard ("Coach"), and shall be effective on April 1, 2019 (the "Effective Date"). The Parties hereby specifically agree that each Party has received or shall receive adequate consideration to supersede the Employment Contract existing between the parties dated April, 2018 (the "2018 Contract"), and such 2018 Contract shall be terminated as of the Effective Date. Coach shall be employed upon the terms, conditions, stipulations, covenants and agreements as set forth herein:

**I.  
TERM**

Both Parties hereby mutually agree that for and in consideration of the mutual benefits and consideration received or to be received by the parties that Coach shall be employed as Head Men's Basketball Coach at the University for a term beginning the 1st day of April, 2019, and ending on the 31st day of March, 2025 (the "Term"), upon the terms, conditions, stipulations, covenants and agreements as set forth herein. For purposes of this Agreement, each April 1 through the following March 31 during the Term of this Agreement shall be referred to as a "Contract Year."

**II.  
PRIMARY DUTY ASSIGNMENT**

Coach shall be employed as Head Men's Basketball Coach at University during the period of this Agreement.

**III.  
COMPENSATION AND BENEFITS**

**A. BASE SALARY**

Coach shall be paid the following annual Base Salary during the period of this Contract.

April 1, 2019 - March 31, 2020	\$300,000
April 1, 2020 - March 31, 2021	\$300,000
April 1, 2021 - March 31, 2022	\$300,000
April 1, 2022 - March 31, 2023	\$300,000
April 1, 2023 - March 31, 2024	\$300,000
April 1, 2024 - March 31, 2025	\$300,000

Payment shall be in accordance with the payroll policies of the University and subject to such deductions as may be required by applicable state and federal laws and regulations. All University and State of Texas benefits shall be derived from and based exclusively on Base Salary.

If University's Men's Basketball Team is selected and participates in the NCAA Men's Basketball Tournament (including "the First Four") three times during the Term, an additional Contract Year from April 1, 2025 – March 31, 2026 shall be added to the Term. The Base Salary for such Contract Year shall be \$300,000.

**B. HEALTH, RETIREMENT, VACATION AND OTHER LEAVE**

Coach will be eligible to participate in the same benefits as all other full-time, benefits-eligible University employees. Such benefits shall be governed by University policy and Texas law. Vacation leave shall be taken at such time or times agreed upon between Coach and the Director of Intercollegiate Athletics. Coach must report all leave time taken pursuant to University policy.

**C. PERQUISITES**

1. **Courtesy Automobile:** Coach shall receive a courtesy automobile or a Car Allowance of \$750 per month as may be approved in writing by the Director of Intercollegiate Athletics. If Coach marries during the Term, he will receive an additional courtesy automobile or Car Allowance of \$750 per month as may be approved in writing by the Director of Intercollegiate Athletics.
2. **Camps:** Coach, acting as an individual or a private legal entity, may offer a camp using University facilities after first receiving written approval by the Director of Intercollegiate Athletics. Coach shall report personal vacation time when preparing for and conducting a private camp and shall require that all other University personnel under Coach's supervision also report personal vacation time when preparing for and conducting such camp. University facilities, equipment and resources may be used according to the terms and conditions of a separate Facilities Use Agreement. Such Facilities Use Agreement must be in writing and signed by both parties before commencement of a camp. Coach shall have permission to use the terms "Texas Tech University" and "Red Raider Basketball" in the description and identification of any Basketball camp conducted by the Coach, upon prior approval by the Director of Intercollegiate Athletics. Coach shall ensure that such camp(s) shall be in compliance with all relevant local, state, or federal laws, regulations, and ordinances as well as all applicable Texas Tech University and Texas Tech University System operating policies and procedures.
3. **Rights Fees for Outside Athletics Related Income:** The University shall pay the following amounts to Coach for the rights to Coach's Outside Athletics Related Income (Rights Fees):

<u>Contract Year</u>	<u>Amount</u>
2019 - 2020	\$3,900,000 (effective as of 04/01/19)

2020 - 2021	\$4,000,000
2021 - 2022	\$4,100,000
2022 - 2023	\$4,200,000
2023 - 2024	\$4,300,000
2024 - 2025	\$4,400,000

University will pay such Rights Fees in equal monthly installments subject to such deductions as may be required by law.

If University's Men's Basketball Team is selected and participates in the NCAA Men's Basketball Tournament (including "the First Four") three times during the Term, an additional Contract Year from April 1, 2025 – March 31, 2026 shall be added to the Term. Coach's Rights Fees for such Contract Year shall be \$4,500,000.

It is agreed that Rights Fees for Outside Athletics Related Income of Coach shall include but not be limited to the following income:

- a. Uniform/clothing contracts;
- b. Shoe/equipment contracts;
- c. Apparel contracts;
- d. Television coaches shows;
- e. Pre-game, post-game and other radio or internet shows;
- f. Speaking engagements arranged through University;
- g. Merchandising contracts;
- h. Other income received by Coach resulting from or otherwise arising out of being the Head Men's Basketball Coach at University, but not including sports camps.

The following types of income arranged through Coach's agent, or any successor agent, which do not result from or otherwise arise out of being the Head Men's Basketball Coach at University, shall not be considered Outside Athletics Related Income:

- a. National speaking engagements and endorsements arranged through agent;
- b. National television, radio, and internet commercial contracts arranged through agent;
- c. Book contracts; and
- d. All other income received by Coach that does not result from or otherwise arise out of being the Head Basketball Coach at University.

Coach will neither participate in, nor allow Coach's name to be used in connection with any particular athletic equipment and/or commercial activity wherein Coach will receive remuneration for such participation or use unless Coach first shall have received written consent therefore from the Director of Intercollegiate Athletics, such consent shall not be unreasonably withheld. Endorsement or consultation contracts with athletics shoe, uniform or apparel, or equipment manufacturers must be reviewed and approved by the Director of Intercollegiate Athletics before Coach can execute such an agreement.

Coach acknowledges that University has exclusive sponsorship agreements, as well as an exclusive media and marketing rights agreement with Learfield IMG College (collectively the "University Exclusive Contracts"). Coach specifically covenants and agrees not to enter into any endorsement or sponsorship agreement or arrangement that conflicts with these University Exclusive Contracts.

Coach shall participate in Coach's Television and Radio Shows as required by the Red Raider Sports Properties Agreement. Also, Coach will reasonably cooperate with Red Raider Sports Properties to assist in the fulfillment of its marketing and media rights responsibilities.

4. **Supplemental Compensation:** In the event the University Men's Basketball team achieves certain accomplishments, Coach shall earn the following payments (Supplemental Compensation). Supplemental Compensation shall be paid no later than 60 (sixty) days following the end of the season in which earned, beginning with the 2019 - 2020 Contract Year; provided, however, that in no event shall Coach be entitled to receive more than a total of Five Hundred Thousand Dollars (\$500,000) per Contract Year as payment for Supplemental Compensation:
- a. Big 12 Conference Achievements (cumulative):
    - Regular Season Champion (or Co-Champion) - \$100,000
    - Big 12 Post-Season Tournament Champion - \$75,000
  - b. NCAA Championship Post-Season Competition (cumulative):
    - NCAA Championship Tournament appearance (which, for the avoidance of doubt, shall include a "First Four" appearance) - \$50,000
    - Round of 32 appearance - \$25,000
    - Sweet 16 appearance - \$50,000
    - Elite 8 appearance - \$75,000
    - Final Four appearance - \$100,000
    - National Championship Game win - \$200,000
  - c. Final Ranking (non-cumulative):
    - Top 25 in ESPN/USA Today Coaches or Associated Press poll - \$10,000
    - Top 10 in ESPN/USA Today Coaches or Associated Press poll - \$25,000
  - d. Big 12 Coach of the Year Awards (limit one per Contract Year):
    - Big 12 Coach of the Year (Associated Press or Coaches) - \$25,000
  - e. National Coach of the Year Awards (limit one per Contract Year):
    - National Coach of the Year (as named by a reputable publication/organization, including but not limited to Naismith, Associated Press, Henry Iba, Jim Phelan), - \$50,000

- f. Team GPA (non-cumulative and GPA will be determined after each academic year (fall and spring semester) based on scholarship men's basketball student-athletes):
  - 2.65 or better - \$10,000
  - 2.85 or better - \$15,000
  - 3.0 or better - \$20,000
- g. Academic Performance Rating (non-cumulative):
  - Annual APR\*: 950 - 970 - \$25,000
  - Annual APR\*: above 970 - \$50,000

\*For purposes of this provision, the Men's Basketball team's APR shall be determined based on the APR as initially published by the NCAA following the academic year in which the APR is earned. To receive this Supplemental Compensation, Coach must be employed as Head Men's Basketball Coach by the University at the time of such publication.

The above Supplemental Compensation earnings shall be cumulative unless specifically noted otherwise as set forth under paragraph III.C.4. Any Supplemental Compensation related to post-season competition will be deemed to have been earned during the Contract Year in which that basketball season giving rise to that post-season competition has taken place.

Coach shall not be entitled to receive the foregoing Supplemental Compensation if Coach terminates this Agreement prior to the Men's Basketball Team's achievements in the above-referenced accomplishments. Further, Coach shall not receive the foregoing Supplemental Compensation in any year in which the Men's Basketball Team is either ineligible for postseason competition for a failure to earn the minimum Academic Performance Rate (APR) under the NCAA's Academic Performance Program or has otherwise been penalized by the NCAA for a failure to earn the minimum Academic Performance Rate (APR) under the NCAA's Academic Performance Program.

- 5. **Retention Bonus:** If Coach is employed as Head Men's Basketball Coach at University on September 1, 2020, University shall pay Coach \$750,000 (Seven hundred fifty thousand dollars), such payment to be made on or before October 1, 2020.
- 6. **Tickets:** University shall provide to Coach six premium tickets to all University home football games, eight tickets behind the home bench for all University Men's Basketball home games, and eight tickets for all University Men's Basketball NCAA Tournament or other tournament (including pre-season and post-season) games.
- 7. **Club Memberships:** The University will pay Coach's membership fees, monthly dues and related assessments in a country club approved in advance by University and Coach. Coach will also be provided a membership in the Jerry S. Rawls Golf Course and the Texas Tech Club. It is understood and agreed that such memberships are provided for business purposes so as to allow Coach to develop and promote interest and support and sponsorship

of the men's basketball program and the University. Coach is responsible for all non-business expenses incurred in regard to such memberships.

8. **Team Travel:** Subject to availability, and with prior approval of the University's Director of Intercollegiate Athletics, Coach's significant other, spouse or immediate family members shall be allowed to travel with the University's Men's Basketball Team on away games via the University's designated team travel provider at no cost to Coach or traveler(s).
9. **Life Insurance:** Subject to Coach's insurability, the University will provide to Coach a term life insurance policy in the amount of \$5,000,000 at no cost to Coach during the Term.
10. **Tax Liability:** To the extent there are applicable taxes for any payments, perquisites, or benefits set forth above, Coach shall be responsible for payment of such taxes.

#### IV. **PERFORMANCE**

Coach's day-to-day supervisor, for purposes of this Agreement, shall be the Director of Intercollegiate Athletics. All administrative matters pertaining to the operation of University's Men's Basketball Program shall be subject to the ultimate direction and control of the Director of Intercollegiate Athletics. Coach shall not be allowed to hire or terminate Men's Basketball program personnel without prior approval from the Director of Intercollegiate Athletics. The Coach shall have the primary responsibility of hiring and terminating the Men's Basketball Coaching and support staff, which shall include identifying and procuring candidates subject to the Director of Athletics authority cited above. The Coach shall be primarily responsible for scheduling all non-conference games subject to the final approval of the Director of Intercollegiate Athletics. The Coach shall also be responsible for the development and administration of the Men's Basketball Budget subject to the review and approval of the Director of Intercollegiate Athletics. Without limitation of the foregoing, Coach, in the performance of his duties, shall conduct himself at all times in a manner consistent with his position as an instructor of students and as a University ambassador, representative, and key employee. In this regard, Coach shall not engage in any behavior, actions or activities that (i) subject either Coach or University to substantial ridicule or embarrassment; (ii) substantially adversely affects Coach's or University's reputation; (iii) substantially interferes with or substantially diminishes Coach's standing as a University ambassador and representative; or (iv) are substantially contrary to the best interests of the University, its students, or its athletic program ("Objectionable Behavior"). The determination of whether Coach has engaged in Objectionable Behavior will be in the sole discretion of the University's President, in consultation with the Director of Intercollegiate Athletics. The parties agree that, although this Agreement is sports related, the primary purpose of the University and this Agreement is educative. Thus, the educative purposes of the University shall have priority in the various provisions of this Agreement. Coach will follow all applicable University policies and procedures. Coach shall not, either directly or indirectly, breach, or countenance the breach, by any player or coach subject to his control or supervision, of any of the rules and standards of

the Big 12 Conference, the National Collegiate Athletic Association (NCAA), as well as other associations or agencies to which the Texas Tech University adheres. Coach understands that he is presumed to be responsible for the actions of all assistant coaches and other administrators who report, directly or indirectly to him. Coach shall promote an atmosphere of compliance within the Men's Basketball program and shall monitor the activities of all assistant coaches and other administrators involved with the program who report, directly or indirectly to him. In this connection, Coach agrees to devote the coach's entire time, labor, effort and attention, in good faith, to conduct and perform the duties commensurate with the position as Head Men's Basketball Coach. Coach understands that he has an affirmative obligation to cooperate fully in any investigation or infractions process in which the University is involved, including but not limited to the investigation and adjudication of a case as defined by the NCAA. Knowing failure to do so may result in sanctions to be determined in the sole discretion of the University's President, in consultation with the Director of Intercollegiate Athletics, which may include but not be limited to fines, suspensions, or termination with cause pursuant to Section V.A. below. Breach of such rules and standards, whether willful or through negligence, may be subject to disciplinary action and penalties ranging from termination, suspension, public or private reprimand or monetary fines or adjustments in compensation or adjustments in the term of this Agreement as determined by the President following consultation and review with the Director of Intercollegiate Athletics. The provision of this paragraph shall be without prejudice to any right the University may have under Section V of this Contract.

No later than thirty (30) days after the end of the men's basketball season, the Director of Intercollegiate Athletics shall conduct an annual review of Coach's performance. The results of this review may be used by the Director of Intercollegiate Athletics to determine any increases in compensation or extensions of the Term. Any modification or amendment to this Agreement must be in writing and signed by the Parties.

## V. TERMINATION

### A. FOR CAUSE

The University specifically reserves the right to terminate this Employment Contract for Cause, based on substantial evidence. Such Cause shall include but is not limited to the following:

- a. material and serious violation(s) of Section IV above;
- b. failure or refusal to perform assigned duties;
- c. serious or major violation(s) of the governing policies, rules, regulations and procedures of the University, any athletic conference of which the University is a member, or countenance of such violations by a member of University's Department of Intercollegiate Athletics' staff who Coach directly supervises, or failure to report such violations as set forth in Section IV above including, but not limited to i) a Level 1 or Level 2 violation or; (ii) excessive multiple Level 3 or Level 4 violations of NCAA rules indicating a pattern of violations which would reasonably lead to the conclusion that there is a reckless disregard by Coach and/or his staff for compliance with NCAA rules;

- d. Coach's serious violation of local, state, or federal laws which subject Coach to civil liability or criminal indictment;
- e. Coach's commission of an act of moral turpitude as defined by Texas law;
- f. Coach's engaging in Objectionable Behavior.

Coach shall be given written notice and an opportunity to cure prior to termination pursuant to this section, provided that such cause can be cured as determined by the University's President. Notwithstanding the foregoing for cause termination language, the University acknowledges that it shall not be its intent to terminate this Agreement for Cause for Coach's minor, technical, or otherwise immaterial breaches of the obligations contained herein. In the event this Agreement is terminated by University for Cause, the University's sole obligation to Coach shall be to pay his Base Salary until the effective date of termination in addition to any Rights Fees and Supplemental Compensation that has been earned as of the date of termination. In no event shall the University be liable to Coach for the loss of any collateral business opportunities or any form of consequential damages resulting from or associated with Coach's employment.

**B. INABILITY TO PERFORM**

In the event of the inability of Coach to continue to perform his obligations under this Agreement by reason of a substantial physical or mental illness, injury, or some other occurrence beyond the control of either party hereto, and such inability to perform has continued or will continue beyond a period of at least ninety (90) days within a 120-day period which cannot reasonably be accommodated by the University and which prevents Coach from being able to perform essential functions of the duties and responsibilities set forth herein, the University reserves the right to terminate this Agreement. In such event, all future obligations between the parties hereto shall cease.

**C. TERMINATION WITHOUT CAUSE BY UNIVERSITY**

In addition to the provision set forth above, the University specifically reserves the right to terminate this Agreement without Cause at any time. The parties agree that in the event University exercises the right to terminate without Cause, the University will pay liquidated damages to Coach in an amount equal to Eighty-Five Percent (85%) of the remaining Base Salary and Rights Fees in monthly installments beginning one month after the date of termination; provided, however, that University's obligation to pay such amounts shall be reduced by the total compensation received by Coach from any coaching-related employment ("Subsequent Compensation") during the remaining Term of this Agreement (not including the employee benefits costs associated with such employment). Coach shall provide to University all documentation of Subsequent Compensation immediately upon accepting other employment. Failure to provide such documentation within 30 days of beginning subsequent employment will void University's obligation to pay any remaining Base Salary and Rights Fees.

Additionally, all Supplemental Compensation set forth under paragraph III.C.4 above which Coach has earned prior to such termination date shall be paid to Coach no later than sixty (60) days after the date of termination.



In the event of termination under this provision, the University shall not be liable to Coach for any other claims or University benefits or collateral business opportunities associated with Coach's position as Head Men's Basketball Coach other than that specifically set forth above.

The parties intend for all payments and benefits under this Agreement to comply with or be exempt from Section 409A of the Internal Revenue Code and the regulations and guidance promulgated thereunder (collectively, "Section 409A"). To the extent permitted by law, the parties agree to modify this Agreement to the extent necessary to comply with changes to Section 409A. Solely to the extent necessary to comply with Section 409A, a termination of employment shall not be deemed to have occurred unless such termination is also a "separation from services" within the meaning of Section 409A and for purposes of any such provision of this Agreement, references to a "termination", "termination of employment" or like terms shall mean "separation from service."

For purposes of Section 409A, Coach's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments, and each such installment payment shall likewise be treated as a separate and distinct payment for purposes of Section 409A.

D. **TERMINATION WITHOUT CAUSE BY COACH**

Coach specifically reserves the right to terminate this Agreement without Cause at any time. In the event Coach terminates without cause, University will, within thirty (30) days of termination, pay Coach all Base Salary, Rights Fees, and Supplemental Compensation that has been earned and accrued but unpaid under the terms of this Agreement as of the date of termination, less all applicable taxes and other appropriate withholdings.

In the event Coach terminates his employment at University during the Term, Coach shall, within one-hundred twenty days of termination, pay (or cause subsequent employer to pay) University liquidated damages to University as specified below:

If Coach accepts a position at another NCAA Division I institution that is either located in the State of Texas or is a member of the Big 12 Conference (or any other conference of which the University is a member):

Between April 1, 2019 – March 31, 2020	\$6,000,000
Between April 1, 2020 – March 31, 2021	\$5,000,000
Between April 1, 2021 – March 31, 2022	\$4,000,000
Between April 1, 2022 – March 31, 2023	\$3,000,000
Between April 1, 2023 – March 31, 2024	\$2,000,000
Between April 1, 2024 – March 31, 2025	\$0

If Coach accepts a position in the NBA or at another NCAA Division I institution not located in the state of Texas or a member of the Big 12 Conference (or any other conference of which the University is a member):

Between April 1, 2019 – March 31, 2020	\$3,000,000
Between April 1, 2020 – March 31, 2021	\$2,500,000
Between April 1, 2021 – March 31, 2022	\$2,000,000
Between April 1, 2022 – March 31, 2023	\$1,500,000
Between April 1, 2023 – March 31, 2024	\$1,000,000
Between April 1, 2024 – March 31, 2025	\$0

All liquidated damages in this section shall be reduced by Fifty Percent (50%), should Kirby Hocutt no longer be employed as the Director of Athletics for Texas Tech University on the date Coach terminates this Agreement pursuant to this Section V(D).

In the event this Agreement is extended by an additional Contract Year pursuant to the language contained in Section III, the liquidated damages amounts listed above for the period between April 1, 2024, and March 31, 2025, shall be amended to read “\$1,000,000” and “\$500,000” respectively.

E. **LIQUIDATED DAMAGES** The Parties have bargained for and agreed to, and consequently are bound by, the liquidated damages provisions in Sections V(C) and V(D) above. The Parties agree and acknowledge the unique, specialized and exclusive nature of collegiate coaching and the difficulty in calculating damages in the event of a breach. The Parties acknowledge the competitive environment of collegiate basketball coaching. The Parties recognize and acknowledge the valuable coaching and recruiting knowledge and relationships that Coach will develop with players, recruits, high schools, junior colleges, staff, coaches, alumni and donors while employed by the University and the difficulty the University will have in replacing that knowledge and those relationships. Coach understands and acknowledges that upon his departure, he will have unique and specialized knowledge of the University’s schemes and tendencies. The Parties understand and acknowledge the special need for continuity in the University’s Men’s Basketball program. The Parties agree that Coach is highly compensated and that the University is making a substantial monetary investment in Coach. The Parties further understand and recognize the cost, difficulty and uncertainty with replacing Coach. The Parties agree and understand that ticket sales and television contracts are in part tied to the success of the Coach and the program. The Parties agree that payment of such liquidated damages shall constitute adequate and reasonable compensation for damages suffered because of termination without cause by the University, or because of termination without cause by Coach. The liquidated damages shall not be construed as a penalty. The liquidated damages provisions shall apply only to termination pursuant to Section V(C) of this Agreement for termination without cause by the University, and termination pursuant to Section V(D) of this Agreement for termination without cause by Coach.

F. **MUTUAL AGREEMENT**  
The parties reserve the right to terminate this Agreement by mutual agreement. In the event the right to terminate pursuant to this paragraph is exercised, all liability of the parties shall cease effective the date of termination.

**VI.**  
**ATHLETICALLY-RELATED INCOME AND BENEFITS**

Coach shall report any athletically-related income or benefits (e.g. income from endorsement or consultation contracts with apparel companies, equipment manufacturers, television and radio programs; income from ownership, control or management of a foundation, organization, or other entity, etc.) in the amount of \$600 (six hundred dollars) or more to the University's President no later than August 31 of each year during the Term.

**VII.**  
**PUBLIC APPEARANCES**

Coach shall make no public appearance, either in person or by means of internet, radio or television, or willingly allow the use of Coach's name in connection with Coach's relationship to the University when any such appearance or use of name will result in unfavorable reflection upon the University.

**VIII.**  
**REPRESENTATIONS**

It is mutually understood that this Agreement contains all the terms and conditions to which the parties have agreed and that no other understandings or representations, either oral or written, unless specifically and unequivocally referenced in the preceding paragraphs, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto. Any modification, amendment or addendum to this Agreement shall only be by written instrument signed by each party hereto.

**IX.**  
**INTERPRETATION**

No provision or part of this Agreement which shall prove to be invalid, void or illegal shall in any way affect, impair or invalidate any other provision or part, and such other provision and parts shall remain in full force and effect.

**X.**  
**EMPLOYMENT MATTERS, FORCE MAJEURE, AND BOARD APPROVAL**

This Agreement is intended as the sole source of Coach's employment rights, irrespective of any statement contained in any University employment manual, staff manual, or any other similar document pertaining to University staff or faculty.

If either party is unable to perform any obligation under the Agreement because of acts of nature not within the control of that Party, then the performance of both Parties is excused until such matters are resolved to the extent that performance may resume.

This Agreement is contingent on approval from the Texas Tech Board of Regents.

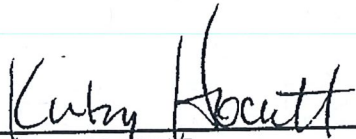
IN WITNESS WHEREOF, the parties hereto shall consider this Agreement to be effective on the 1<sup>st</sup> day of April, 2019.



4/22/19

CHRISTOPHER MICHAEL BEARD  
Head Men's Basketball Coach

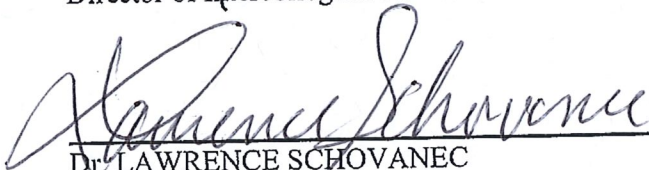
Date



4.22.19

KIRBY HOCUTT  
Director of Intercollegiate Athletics

Date



4-22-19

Dr. LAWRENCE SCHOVANEC  
President – Texas Tech University

Date