

M E M O R A N D U M

To: Members of the Compensation Committee and Board of Trustees
c/o Malcolm DeKryger, Compensation Committee Chair

From: Steve Schultz

Cc: Mung Chiang, President
Mike Bobinski, Director of Intercollegiate Athletics

Re: Proposed Amendments to Employment Agreement – Coach Matt Painter

Date: June 1, 2024

Under general guidance from the Compensation Committee, Director Bobinski has once again advanced discussions with Coach Painter's agent and reached agreement on amended contract terms for Matt. A brief summary of the key terms is attached, and it will be used to create an official Seventh Amendment to the Employment Agreement as promptly as practicable.

Highlights of the proposed changes include:

- A change in terminology for Matt's current compensation, which has for many years been bifurcated into two concepts of "base salary" and "supplemental stipend" (but together constituting his current pay). In accordance with a new approach requested by the University's payroll department, these concepts will now be merged into a single, unified "annual base salary" component.
- Establishment of agreed compensation terms for each of the next five years of the upcoming five-year rolling term, which continues define the contract duration. These terms are outlined in the attached sheet and continue to reflect amounts of deferred compensation and life insurance premium advances in addition to base salary.
- The compensation terms now include a retention incentive, including the existing \$450,000 that was agreed to in the last amendment in 2022, payable if Matt remains the Head Men's Basketball Coach on September 1, 2024. In addition, a further annual retention incentive payment will be made in the amount of \$250,000 for each year that Matt remains the coach on September 1 of that year.

Consistent with past practice, we will request Compensation Committee and full Board approval of these proposed amendments at the upcoming stated meeting, together with a grant of delegated authority to the President, the Athletic Director and the Chair of the Compensation Committee to approve, execute and deliver the definitive form and final terms of the contract amendment (consistent with the attached summary).

Your approval of the proposed terms is respectfully requested.

Summary of Proposed Contract Amendments (Coach Matt Painter) – Seventh Amendment, 2024

	Current Agreement	Proposed Amendment
Term	Five-Year Rolling Term	Same (does not change)
2025 Comp (eff. 7/1/24)	\$4.2 million <ul style="list-style-type: none"> • \$420,000 annual base salary • \$2.73 million supplemental stipend • \$300,000 supplemental retirement contribution • \$300,000 life insurance premium advance • \$450k retention bonus (if employed 9/1/24) 	\$4.85 million <ul style="list-style-type: none"> • \$3.8 million in annual base salary¹ • \$300,000 supplemental retirement contribution • \$300,000 life insurance premium advance • \$450k retention bonus (if employed 9/1/24)
2026 Comp (eff. 7/1/25)	Same, with \$25k salary increase and commitment to negotiate additional increase in salary and supplemental stipend in last two years of current 5-year rolling term	\$4.975 million <ul style="list-style-type: none"> • \$4.125 million in annual base salary • \$300,000 supplemental retirement contribution • \$300,000 life insurance premium advance • \$250k retention bonus (if employed 9/1/25)
2027 Comp (eff. 7/1/26)	Same as above (was to be negotiated)	\$5.175 million <ul style="list-style-type: none"> • \$4.325 million in annual base salary • \$300,000 supplemental retirement contribution • \$300,000 life insurance premium advance • \$250k retention bonus (if employed 9/1/26)
2028 Comp (eff. 7/1/27)	N/A	\$5.2 million <ul style="list-style-type: none"> • \$4.350 million in annual base salary • \$300,000 supplemental retirement contribution • \$300,000 life insurance premium advance • \$250k retention bonus (if employed 9/1/27)
2029 Comp (eff. 7/1/28)	N/A	\$5.225 million <ul style="list-style-type: none"> • \$4.375 million in annual base salary • \$300,000 supplemental retirement contribution • \$300,000 life insurance premium advance • \$250k retention bonus (if employed 9/1/28)
Ongoing Review	\$25,000 stipulated increase in “out years” of then-current 5-year rolling term, with commitment to negotiate additional increase starting June 1, 2025	Commitment to invite Coach to mutual review of terms by no later than May 2, 2027; triggers 60-day negotiation period
Performance Bonus Base (for annual incentive calc)	\$948,963	\$1.2 million
Flight services stipend	20 hours	30 hours

¹ Note: at request of Purdue payroll processing, this Amendment will drop “supplemental stipend” concept in favor of a single, unified “base salary” number.