

MEMORANDUM

To: Members of the Compensation Committee and Board of Trustees

From: Steve Schultz, SVP and General Counsel

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

Re: Ratification of MOU – Head Football Coach

Date: December 9, 2024

Attached for ratification by the Compensation Committee (and subsequent ratification by the Board of Trustees via the consent agenda) is the Memorandum of Understanding signed yesterday with Coach Barry S. Odom as Purdue's next head football coach.

In addition to your ratification of these terms and conditions at this week's stated meeting, and consistent with past practice, we request that authority be delegated to the President, the Executive Vice President and Director of Intercollegiate Athletics, and the Chair of the Compensation Committee to prepare, execute and deliver the definitive form of the agreement through discussions with Coach Odom and his agent.

In the meantime, your ratification of this MOU is respectfully requested.

**HEAD FOOTBALL COACH
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("MOU") is binding on the parties and sets forth the basic terms for the hire and acceptance to the position of Head Football Coach at Purdue University ("Purdue"). This MOU shall exist as the employment agreement between Barry S. Odom ("Coach") and Purdue until it is replaced by the definitive employment agreement, which will also include the following terms and others consistent therewith and with provisions that are customary in the industry for head coach contracts of this nature.

Governing Law

Both parties agree that this MOU shall be governed by the laws of the State of Indiana. The courts in Tippecanoe County, Indiana shall have sole and exclusive: (i) subject matter jurisdiction; and (ii) venue over all disputes arising under or in connection with the MOU or its alleged breach. Coach consents to the personal jurisdiction of the aforementioned courts.

Counterparts

This MOU may be executed and delivered in any number of electronic counterparts, each of which when executed and delivered shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

Legal Fees

If either party incurs legal or enforcement costs due to the material breach of this MOU by the other party, then the breaching party will be responsible for reasonable costs associated with such breach.

1. **Term.** The term of Coach's employment as Head Football Coach for Purdue will begin as the parties mutually agree, but in no event later than December 10, 2024 ("Start Date") and ending on the later of December 31, 2030 or the last game of the 2030-2031 season for Purdue's football team, unless earlier terminated as set forth below ("Term"). Contract Years shall begin on January 1 and end on December 31 of the same calendar year, except for Contract Year 1 and, possibly, Contract Year 6.

2. **Compensation.**

A. **Annualized Base Salary:** (paid in 12 monthly installments)

- i. **Year 1:** \$6,000,000
- ii. **Year 2:** \$6,000,000
- iii. **Year 3:** \$6,250,000
- iv. **Year 4:** \$6,500,000
- v. **Year 5:** \$7,000,000
- vi. **Year 6:** \$7,250,000

- B. **Buyout to Previous Employer:** Purdue shall be responsible for the contractually stipulated buyout due to a previous employer, in a manner that ensures Coach will not have any tax or other liability that arises therefrom. To the extent that any such tax liability does accrue to Coach, Purdue will cover any such tax liability in a manner that does not require Coach to incur any expense.
- C. **Other Benefits:**
- i. **Retirement and Fringes:** Standard retirement, medical insurance and other fringes as are generally provided for administrative and professional staff.
 - ii. **Car Allowance:** One vehicle stipend allowance not to exceed \$15,000 / year.
 - iii. **Nike Elite (Apparel Allotment):** As determined annually with Athletics Director.
 - iv. **Family membership in the Lafayette Country Club.** Purdue will sponsor Coach's family membership in the Lafayette Country Club, and will pay any initiation fees, monthly dues and assessments on Coach's behalf.
 - v. **Personal Ticket Allocations (At premium locations).** Sufficient to satisfy Coach's reasonable personal (family) and professional needs and consistent with Purdue policy.
 - vi. **Relocation:** Purdue will provide a relocation allowance of \$50,000 and pay up to 90 days of temporary lodging.
 - vii. **Team Travel.** Coach's spouse and children may travel with the Team to away football games at Purdue's expense under normal Purdue travel reimbursement policies as they may be changed from time to time.
 - viii. **Private Air Travel:** Purdue will provide 30 hours per contract year of personal use private air travel, to be delivered through a third-party aviation company.
- D. **Incentive Pay:** All academic, performance and personal incentive pay opportunities are calculated using a Performance Bonus Base of \$1,500,000 ("PBB") and are contingent upon maintaining a football APR of 930 or greater. Purdue shall pay the foregoing bonuses to the Coach no later than 45 days following the end of every football season in which a relevant achievement is attained. Bonuses shall be earned as of the date of the achievement as they apply.

Coach will have the following additional compensation and incentive payment opportunities:

- i. **Sports Camps:** Based on gain sharing opportunities in place (i.e., gross income less camp expenses, including facility use fee), to be retained by Coach to distribute as he wishes, subject to Athletics Director approval of distribution plan.

- ii. **Team Academic Performance:**

- 1. GSR (using NCAA methodology): 6.0% of PBB if \geq NCAA national rate for football.
- 2. CGPA (target range set each year): 3.0% of PBB if = target range; 6.0% of PBB if $>$ target range.

For academic year ending June 30, 2025, bonuses earned for Team Academic Performance will be paid at 50% of the stipulated rate.

- iii. **Team Athletic Performance:**

- 1. **Conference Finish (including ties)**
 - 10.0% of PBB for 1st
 - 8.0% of PBB for 2nd
 - 5.0% of PBB for 3rd
- 2. **Conference Championship Game Win** 10.0% of PBB
- 3. **Post-Season Bowl Participation**
 - a. Win National Championship 40.0% of PBB
 - b. Championship Game CFP 35.0% of PBB
 - c. Final Four CFP 30.0% of PBB
 - d. Round of 8 CFP 25.0% of PBB
 - e. Round of 12 CFP 20.0% of PBB
 - f. Non-CFP B1G Bowl Game 10.0% of PBB
 - g. Non-CFP Bowl Game 7.5% of PBB

- iv. **Personal Honors:**

- 1. **Conference Coach of the Year** 5.0% of PBB
- 2. **National Coach of the Year**** 10.0% of PBB

**By nationally recognized poll or association (e.g., AFCA, AP, Sporting News, Bear Bryant, Walter Camp, ESPN, Eddie Robinson).

E. Early Termination:

- i. **Liquidated Damages Owed by Purdue.** If Purdue terminates Coach without cause prior to the end of Term, Purdue will pay Coach 75% of remaining Base Salary, to be paid in monthly installments over the remaining Term, without any mitigation responsibilities or offset obligations.

- 1. If Purdue reasonably determines that Internal Revenue Code Section 457(f) applies to such payments, Purdue agrees to accelerate future payments in an amount sufficient to cover the applicable income and employment taxes in the tax year in which they are due.

- ii. **Liquidated Damages Owed by Coach.** If Coach terminates his employment prior to the end of Term in order to accept another coaching position, Coach shall pay, or caused to be paid, the following amounts, payable in quarterly installments over the first twelve (12) months following any such termination, with the first installment being due thirty (30) days following the date of termination:

1. Start Date through December 31, 2025:	\$6,000,000
2. January 1, 2026 through December 31, 2026:	\$5,000,000
3. January 1, 2027 through December 31, 2027:	\$4,000,000
4. January 1, 2028 through December 31, 2028:	\$3,000,000
5. January 1, 2029 through December 31, 2029:	\$2,500,000
6. January 1, 2030 through December 31, 2030 or Purdue's last game of the 2030-2031 season:	\$2,000,000
7. On or after the date of Purdue's last game of the 2030-2031 season:	\$0

- iii. **Coach's Obligation to Notify.** Coach will be obligated to notify the Athletics Director within 24 hours of engaging in substantive negotiations regarding potential employment with another employer.

F. Football Program Salary Pool: Purdue agrees to work collaboratively with Coach to provide the resources and support necessary to hire ten Assistant Coaches and other football program staff as mutually agreed upon.

- i. As soon as practicable after the execution of this MOU and no later than December 1st of each Contract Year, Coach and the Athletics Director will conduct a good faith review of the annual and developing on-field and staff structure and compensation pools to ensure it is competitive with Big Ten and other peer programs (e.g., relative to the Conference median and mean).
- ii. Coach shall have the discretion to allocate salaries and terms of employment between on-field assistants and off-field staff, subject to departmental and Purdue guidelines.

3. Other Terms & Conditions

- A. Guidelines applicable to a for cause termination by Purdue shall be commensurate with generally accepted industry standards. Notwithstanding, Purdue acknowledges and agrees that Purdue does not intend that this MOU and/or the definitive employment agreement to be terminable for cause in the event of a minor or immaterial violation of an applicable rule, regulation, or policy, or in the event the alleged violation does not entail the risk of material institutional penalties.
- B. The parties shall consider, and address if appropriate in an amendment, the potential for extenuating circumstances that affect the Coach's terms and conditions of employment during the Term (e.g., conference realignment, revenue sharing, student athlete governance model, modifications to playoff format, etc.)

4. **Force Majeure.** Neither Party will be considered in default in the performance of its obligations under this MOU if such performance is prevented or substantially delayed because of a Force Majeure Event. A Force Majeure Event shall mean causes that do not exist as of the date of the execution of this MOU and are beyond the control of both Parties. Force Majeure Events include, but are not limited to, war, hostilities, revolution, civil commotion, strike, lockout, epidemic, pandemic, accident, fire, wind or flood or any law, order, proclamation, ruling, regulation or ordinance of any government or subdivision of government or any act of God. Delays or non-performance excused by this provision shall not excuse performance of any other obligation which is outstanding at the time of occurrence.
5. **Background Check.** Coach represents that he has fully disclosed any and all previous civil and criminal matters in which he was a party, witness, or involved in any way. This MOU is subject to a satisfactory criminal background check and NCAA compliance check.

REVIEWED AND APPROVED:

Signed by:

Michael A. Bobinski

12/8/2024

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Michael A. Bobinski

Date

Executive Vice President & Director of
Intercollegiate Athletics

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Malcolm S. DeKryger

12/8/2024

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Malcolm S. DeKryger

Date

Chair, Compensation Committee
Purdue Board of Trustees

ACKNOWLEDGED & AGREED:

Signed by:

Barry S. Odom

12/8/2024

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Coach

Date