

A Special Message from **Mack Rhoades**

Baylor Student-Athletes,

Today a settlement was reached in the House v. NCAA case, paving the way for revenue sharing with student-athletes up to a reported estimate of \$20.5 million (22% of the power four's average annual revenues). This development requires us to carefully evaluate the distribution of these funds amongst our sport programs, signifying a major change in college athletics. Like our Division I peers across the country, we've faced several complex decisions related to this shift. What this means for Baylor Athletics is outlined below:

- Beginning the Fall 2025 academic year, every Baylor student-athlete will be offered an NIL licensing agreement for institutional use of their name, image, and likeness.
- We will offer two levels of NIL licensing agreements: (1) A base participatory agreement of \$250 annually, or (2) An enhanced agreement offering varying levels of compensation based on individual and team valuation metrics.
- Based on overall revenue generation and broadcast viewership data, our initial revenue share model designates Football, Men's and Women's Basketball, Baseball, Softball, and Volleyball as the beneficiaries of the enhanced licensing agreement.
- Baylor's approach is consistent with strategies implemented by numerous Big 12 schools and other Power 4 institutions across the country as reported by the media.
- Additionally, the settlement introduces roster limits, replacing previous scholarship limits – a change that over time will impact program roster sizes and individual opportunities across the country. Any additional information will be provided by your head coach.

For several months, we have proactively monitored this case to anticipate potential outcomes. We have also engaged in discussions with your head coaches, each of whom has strongly advocated on behalf of their respective programs.

We anticipate this news will generate questions and are committed to clear and transparent communication. As settlement details and implementation plans become clearer, we will remain adaptable and provide timely updates, support, training, and education regarding these changes. Your well-being and success remain our utmost priorities as we continue our commitment to ***Preparing Champions for Life.***



Mack B. Rhoades, IV

Vice President and Director of Intercollegiate Athletics

External NIL Opportunities

Of important note, the settlement does not impact your ability to earn money through your own third-party deals with brands and sponsors which are not with an associated entity or individual (more details to come). These individual NIL activities are completely separate from the institutional revenue sharing outlined above and in the settlement.

However, as part of the settlement, any third-party NIL deal valued at \$600 or more in total compensation from a single payor must now be submitted to NIL Go, a newly established clearinghouse, for review. NIL Go, powered by global consulting and auditing firm Deloitte, will monitor and enforce third-party NIL transactions. This measure is in place to ensure all agreements meet two key principles: a legitimate business purpose and fair compensation.

Deloitte, a global consulting and auditing firm, will serve as the clearinghouse, monitoring and enforcing third-party NIL transactions. This measure is in place to ensure that all such agreements adhere to two key principles: a legitimate business purpose and a fair range of compensation.

Enforcement details for those who fail to report or comply with the rules of the new clearinghouse will be disclosed at a later date. Additionally, we will provide detailed information and training on how to report third-party deals to the clearinghouse when available.

Baylor Built Academic Incentive Program

Effective immediately, the Baylor Built Academic Incentive Program (BBAI) will be discontinued. As such, the Spring 2025 academic semester was the final opportunity to earn the incentive through this program. If the criterion to receive BBAI were met (per the Student-Athlete Handbook), final payment for graduating student-athletes, who have exhausted their eligibility, will be issued following graduation commencement in mid to late June. For continuing student-athletes or those graduating in the summer, it will be issued after the census date of the Fall 2025 term, approximately mid to late September.

This decision was made after careful consideration and evaluation of our current strategies and future objectives related to financial impacts across all NCAA Division I athletics programs and too is in line with the strategic direction taken by the majority of our peers.

While the program will no longer be available, our Head Coaches, Student-Athlete Center for Excellence (SACE) and other Student-Athlete Services staff will continue to support you in and around your academic efforts through academic advisement, learning assistance, tutoring, and character and spiritual formation programming.

Thank you for your dedication and continued hard work; we look forward to supporting your ongoing academic and athletic achievements.
