

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

HEAD MEN'S BASKETBALL COACH

THIS AGREEMENT is made this 1st day of July 2024, by and between The University of North Carolina at Chapel Hill ("University") and Hubert Davis ("Coach").

WHEREAS the University and Coach first entered an employment agreement effective April 17, 2021; and

WHEREAS the University and Coach amended and restated the employment agreement effective July 1, 2022; and

WHEREAS the parties desire to amend and restate the employment agreement in its entirety; and

WHEREAS the parties acknowledge that although this Agreement is sport-related, the primary mission of the University is education, and the primary purpose of this Agreement is the furtherance of the University's educational mission;

NOW, THEREFORE, in consideration of the compensation to be rendered by the University and the services to be rendered by Coach, the parties agree as follows:

1. Employment.

The University hereby employs Coach for the fixed term specified in Section 2 as the Head Coach of the University's intercollegiate Men's Basketball team ("Program") under the terms and conditions stated herein.

2. Term.

This Agreement, unless otherwise terminated in accordance with its terms or extended by subsequent agreement of the parties, shall continue in force and effect from July 1, 2024 until June 30, 2030 (the "Term"). Neither the University nor Coach has an obligation to renew or extend this Agreement. Each party shall notify the other at least 90 days prior to the end of the Term whether the party wishes to engage in negotiations for a new agreement after the Term expires.

3. Duties.

Coach shall perform the duties, responsibilities, and obligations as are assigned to Coach by the Director of Athletics, which duties include the following:

- (a) Serve as Head Coach for the Program, including the making of customary coaching decisions associated with the position of Head Coach of a major Division I athletic program such as development and implementation of the

systems and strategies used in competition, conduct of practice and training, selection of team members, and all other matters relating to the practice for and play of games;

- (b) Direct and conduct the Program in keeping with the educational purpose of and the traditions, values, integrity, and ethics of the University;
- (c) Recruit and retain only academically qualified student-athletes and promote and encourage academic progress, in conjunction with the faculty and the University, of such student-athletes toward graduation in defined degree programs;
- (d) Monitor and encourage the regular progress toward an academic degree of those student-athletes who are members of the Program, and make reasonable and good faith efforts, in cooperation with the University's faculty, administration and the Academic Support Program for Student-Athletes, to meet all student-athletes' academic requirements;
- (e) Conduct himself and the Program in accordance with, promote an atmosphere of compliance with, and otherwise abide by the "Governing Body Requirements." For purposes of this Agreement, "Governing Body Requirements" shall mean and refer to all current and future legislation, rules, regulations, directives, written policies, bylaws and constitutions, and official or authoritative interpretations thereof, and any amendments, supplements, or modifications thereto promulgated by the NCAA or the ACC or any successor of such association or conference, or by any other athletic conference or governing body having regulatory power or authority relating to the University and/or its athletics programs, as well as any applicable laws enacted by the federal or state authorities governing intercollegiate athletics, and all other applicable rules, regulations, policies, procedures, and directives of and applicable to the University, including its Department of Athletics;
- (f) Supervise and maintain responsibility for the conduct and activities of all Program assistant coaches, staff members, other employees, and student-athletes under Coach's supervision, including maintaining good faith compliance by all such individuals with all Governing Body Requirements. This responsibility shall include, without limitation, developing reasonable processes for monitoring Program compliance and providing annual evaluations of assistant coaches and staff members;
- (g) Promote, represent, and assist the University in marketing the University, its athletics program, and the Program through personal appearances, speeches, press conferences, internet broadcasts or displays, and other activities and events as reasonably requested by the University. Attend a specified number of Educational Foundation Chapter meetings per year to promote the Program, the number to be reasonably determined on an annual basis by the Director of Athletics or assigned Sport Administrator(s);

- (h) Under the direction of the Director of Athletics or assigned Sport Administrator(s), maintain responsibility for the fiscal and budgetary functions associated with the Program;
- (i) Work cooperatively with the University’s Department of Athletics Compliance Office, the Faculty Athletics Representative, and the University’s administration on compliance matters and NCAA and ACC rules education;
- (j) Cultivate and maintain effective relations with students, faculty, staff, and friends of the University;
- (k) Maintain and enforce any and all applicable University and Department of Athletics policies; and
- (l) Such other reasonable duties as may be assigned by the Director of Athletics or Sport Administrator(s) from time to time, consistent with those duties typically applicable to a Division I Head Men’s Basketball Coach.

Coach agrees to perform all the duties of the position and to devote such time, attention, and skill to the performance of these duties as necessary. Coach shall report to and be under the immediate supervision of the University’s Director of Athletics or Sport Administrator and shall confer regularly with such supervisors on matters concerning administrative decisions. Without limiting the generality of the foregoing, Coach shall have the responsibility and authority, in consultation with the Director of Athletics and consistent with all applicable Governing Body Requirements, to employ and discharge all personnel assigned to the Program.

4. Compensation.

- (a) Base Salary: During the Term, the University shall pay Coach an annual Base Salary at the following rates for the periods indicated (each such period a “Contract Year”):

<u>Period</u>	<u>Base Salary Rate</u>
July 1, 2024 – June 30, 2025	\$1,250,000
July 1, 2025 – June 30, 2026	\$1,250,000
July 1, 2026 – June 30, 2027	\$1,250,000
July 1, 2027 – June 30, 2028	\$1,250,000
July 1, 2028 – June 30, 2029	\$1,250,000
July 1, 2029 – June 30, 2030	\$1,250,000

The annual Base Salary shall be based on a twelve-month employment period and shall be prorated for any partial Contract Year. For all purposes under this Agreement, the term “Base Salary” shall refer to Coach’s base salary rate then in effect pursuant to this Section, and shall not include any bonus, additional forms

of compensation, benefits, or other amounts payable to Coach as provided in this Agreement.

In addition to annual Base Salary, Coach shall be eligible for additional performance-based compensation as set forth below.

- (b) Conference Regular Season Championship: In any Program season during the Term in which the Program wins or co-wins the regular season ACC Championship or the championship of any other conference of which the University is a member, Coach will receive additional compensation in the form of a bonus of Fifty Thousand Dollars (\$50,000).
- (c) Conference Tournament Championship: In any Program season during the Term in which the Program wins the ACC Tournament Championship or the conference tournament championship of any other conference of which the University is a member, Coach will receive additional compensation in the form of a bonus of Fifty Thousand Dollars (\$50,000).
- (d) NCAA Tournament Participation: In any Program season during the Term in which the Program competes in the NCAA Division I post-season men's basketball championship tournament under Coach's leadership, Coach will receive additional compensation from the University in the form of a bonus of One Hundred Thousand Dollars (\$100,000).
- (e) NCAA Tournament Round of 32: In any Program season during the Term in which the Program competes in the Round of 32 in the NCAA Division I post-season men's basketball championship tournament under Coach's leadership, Coach will receive additional compensation from the University in the form of a bonus of One Hundred Thousand Dollars (\$100,000).
- (f) NCAA Tournament Sweet 16: In any Program season during the Term in which the Program competes in the Sweet 16 round of the NCAA Division I post-season men's basketball championship tournament under Coach's leadership, Coach will receive additional compensation from the University in the form of a bonus of One Hundred Fifty Thousand Dollars (\$150,000).
- (g) NCAA Tournament Elite Eight: In any Program season during the Term in which the Program competes in the Elite Eight round of the NCAA Division I post-season men's basketball championship tournament under Coach's leadership, Coach will receive additional compensation from the University in the form of a bonus of Two Hundred Thousand Dollars (\$200,000).
- (h) NCAA Tournament Final Four: In any Program season during the Term in which the Program competes in the Final Four round of the NCAA Division I post-season men's basketball championship tournament under Coach's leadership, Coach will receive additional compensation from the University in the form of a bonus of Two Hundred Thousand Dollars (\$200,000).

- (i) NCAA Tournament Championship: In any Program season during the Term in which the Program wins the NCAA Division I post-season men's basketball championship tournament under Coach's leadership, Coach will receive additional compensation from the University in the form of a bonus of Two Hundred Fifty Thousand Dollars (\$250,000).
- (j) ACC Coach of the Year: In any Program season during the Term in which Coach is recognized by the Conference as the Coach of the Year in the ACC, Coach will receive additional compensation in the form of a bonus of Twenty-Five Thousand Dollars (\$25,000).
- (k) National Coach of the Year: In any Program season during the Term in which Coach wins the Naismith Award or is recognized as the National Coach of the Year by one or more of (i) the Associated Press, (ii) the U.S. Basketball Writers Association, (iii) the National Association of Basketball Coaches, or (iv) the Sporting News, Coach will receive additional compensation in the form of a bonus of Fifty Thousand Dollars (\$50,000).
- (l) Annual Progress Rate: In any year during the Term in which the single year Academic Progress Rate (APR) for the Program reported by the University to the NCAA equals or exceeds 975, Coach will receive additional compensation in the form of a bonus of Seventy-Five Thousand Dollars (\$75,000). Any amount under this subsection shall be earned on the date of the NCAA's final notice that the University has completed its submission of APR data to the NCAA and paid within seventy-five (75) days following that date.
- (m) Coach may receive multiple bonuses in any Contract Year, making the amounts earned pursuant to Sections 4(b) – 4(l) cumulative. Amounts earned pursuant to Sections 4(b) – 4(k) shall be deemed earned on the final day of the Program season and shall be paid within seventy-five (75) days following the final game of the Program's season, including post-season.

Coach's compensation is subject to applicable policies adopted by the University's Board of Governors and/or Board of Trustees. All payments made to Coach pursuant to this Agreement will be made in accordance with the University's payroll policies and practices in effect from time to time and are subject to applicable deductions and withholdings.

5. Supplemental Compensation. To provide Coach with a compensation package competitive with that provided to head men's basketball coaches at the University's peer institutions, the University will make supplemental compensation payments to Coach during the Term at an annual rate as follows:

<u>Period</u>	<u>Amount</u>
July 1, 2024 – June 30, 2025	\$1,700,000
July 1, 2025 – June 30, 2026	\$1,800,000
July 1, 2026 – June 30, 2027	\$1,900,000
July 1, 2027 – June 30, 2028	\$2,000,000
July 1, 2028 – June 30, 2029	\$2,100,000
July 1, 2029 – June 30, 2030	\$2,200,000

6. Expenses.

Each Contract Year during the Term, Coach will receive an annual expense allowance of Fifty Thousand Dollars (\$50,000) to be used for entertainment and other appropriate purposes to advance the Program. All appropriate taxes shall be withheld from this allowance. The annual expense allowance shall be prorated for any partial Contract Year. Coach's use of these funds shall be consistent with the Governing Body Requirements.

7. Benefits.

Coach's position is classified as an EHRA non-faculty instructional, research, and information employee of the University, and his employment is subject to the *Employment Policies for EHRA Non-Faculty Research Staff, Instructional Staff, and Tier II Senior Academic and Administrative Officers*, as adopted by the University's Board of Trustees and as revised from time to time (the "EHRA Policies"). A copy of the current EHRA Policies is attached to this Agreement and incorporated herein by reference. Coach shall be entitled to receive all employee-related benefits available to other twelve-month EHRA non-faculty employees, including twenty-four (24) annual leave days per year. Coach acknowledges that benefits or classifications are subject to change from time to time by the State of North Carolina or the University.

In addition to the benefits generally accorded an EHRA non-faculty employee, so long as Coach continues to fulfill the duties set forth in this Agreement, University shall provide to Coach the following additional benefits during the Term:

- (a) Coach or an entity controlled by Coach shall be entitled to operate an athletic camp or clinic in accordance with the Governing Body Requirements, as provided in Section 8.
- (b) Coach shall be entitled to advise and comment on the Program's proposed scheduling of University intercollegiate athletic competition during the Term.
- (c) Automobiles for Coach's use as provided in the "UNC-Chapel Hill Policy on Non-Salary and Deferred Compensation."
- (d) Coach shall be entitled to receive a social membership to Chapel Hill Country Club.

- (e) Personal use of a private aircraft for not more than thirty (30) hours per Contract Year.
- (f) Tickets in accordance with Department of Athletics policies.

8. Outside Activities and Compensation.

- (a) Subject to compliance with the Governing Body Requirements, including the Policy on External Professional Activities for Pay of The University of North Carolina Board of Governors, NCAA and ACC rules, other relevant policies and laws concerning conflicts of interest, and with prior approval of the Director of Athletics, Coach may earn other revenue while employed by the University. Coach may also engage, in Coach's personal capacity and not as a University employee, in any other permissible activities referred to in this Agreement as well as such other activities as are not inconsistent with (i) the Governing Body Requirements; (ii) the policies, rules, procedures, practices, and directives of the University; (iii) any other contract to which the University is a party; and (iv) the provisions of this Agreement. No such activities shall conflict with or be detrimental to Coach's duties as Head Coach of the Program or be competitive with or otherwise detrimental to the University's interests.

All such activities are independent of Coach's University employment. The University shall have no responsibility for any claims by Coach or against Coach arising from them, and Coach agrees to indemnify and hold harmless the University, its Board of Trustees, and its employees and officers from any and all suits, claims, demands, damages, liabilities, costs and expenses, including reasonable attorney fees, arising from any such outside activity.

Activities permitted under this Section including radio, motion picture, writing, or any similar activity, personal appearances, commercial endorsements, and athletic camps except as noted below. With respect to any such activities that are commercial in nature, including, without limitation, activities that promote a private business or service, Coach shall not, without the express written permission of University, such permission not to be unreasonably withheld, make use of University's name, logos, trademarks, insignias, or symbols, or any name, image, or likeness of any student-athlete or prospective student-athlete associated with the University.

- (b) Coach shall obtain advance approval from the Director of Athletics for all athletically related income and benefits from sources outside the University during the Term. Coach also shall obtain the advance approval of the Director of Athletics, such approval not to be unreasonably withheld, to engage in any outside employment or non-paid activities that could impact Coach's responsibilities to the University. Sources of such income and types of activities include, but are not limited to, the following:

- (i) Sports camps and clinics;
 - (ii) Housing benefits (including preferential housing arrangements);
 - (iii) Speaking engagements;
 - (iv) Television and radio programs;
 - (v) Endorsement or consultation contracts with athletic shoe, apparel, or equipment manufacturers;
 - (vi) Affiliation with other sports groups or teams (e.g. coach of a national team).
- (c) Coach or an entity owned, operated, controlled by, or otherwise affiliated with Coach (the “Camp Entity”) may organize and conduct athletic camps or clinics only with the prior approval of the Director of Athletics, such approval not to be unreasonably withheld. Such camps or clinics shall be conducted in accordance with the University’s contractual obligations and all Governing Body Requirements, including those requiring the payment of fees and other conditions for the use of University facilities. Coach and the Camp Entity shall adhere to the Department of Athletics Camp Manual, as in effect from time to time. University shall also have the right to conduct, using an accountant of University’s choice and at University’s expense, a full financial audit of any athletic camp or clinic run by Coach or the Camp Entity.
- (d) As provided by the Governing Body Requirements, Coach shall report annually as of July 1 to the Chancellor through the Director of Athletics all athletically-related income from sources outside the University, including, but not limited to, income from annuities, athletic camps, endorsements, television and radio programs, and all other athletically-related income from whatever outside source. The University shall have reasonable and prompt access to all records of Coach to verify this report.

9. Broadcasts.

Coach acknowledges that from time to time the University may be presented with opportunities for the production and distribution of radio, television and/or internet broadcasts relating to the Program and/or the University’s athletics program in general (the “Broadcasts”). Coach shall appear and participate in such Broadcasts in accordance with the reasonable instructions of the University. The timing and location of such Broadcasts shall be mutually agreed upon by the parties. In addition, Coach acknowledges that the University may, consistent with Coach’s primary coaching responsibilities, require Coach to record generic or topical television or radio promotions for the promotion of such Broadcasts, and such other shows or events as reasonably determined by the University for the promotion of the University’s athletics program.

The University currently has a multimedia rights agreement with Learfield Communications, LLC (“Learfield Agreement”). It expects payments to Coach of and \$500,000 per Contract Year, including \$150,000 within thirty (30) days of final execution of this

Agreement in accordance with the terms of the Learfield Agreement (or any substitute multimedia rightsholder agreement (“Substitute Multimedia Rightsholder Agreement”). In the event the Learfield Agreement (or Substitute Multimedia Rightsholder Agreement) is terminated or otherwise is no longer in effect during the Term, or if payments to Coach pursuant to the Learfield Agreement are less than \$500,000 for a Contract Year, the parties will engage in good faith negotiations regarding a potential adjustment of this Agreement.

10. Program Support and Promotional Activities.

Coach acknowledges that from time to time opportunities to promote, publicize and/or raise funds for the University, the Program and/or the University’s athletics program, and/or to participate in promotional activities or events of advertisers, sponsors, or affiliates of the University, will be presented to the University. Such opportunities may involve personal appearances, speeches, press conferences, and other similar activities and events which shall include, but not necessarily be limited to, meeting with donors or sponsors. Coach agrees that Coach may be required to participate in or to make special appearances at such activities and events in accordance with the reasonable instructions of the University.

11. Manufacturer Relationships.

Coach acknowledges that from time to time the University may enter into agreement(s) with one or more athletics footwear, equipment and/or clothing manufacturer(s) (collectively, the “Manufacturer”) for use by the Manufacturer of Coach’s personal services and expertise in the Coach’s sport and/or for Coach’s endorsement of the Manufacturer’s products. Throughout the Term, Coach shall take such actions as are necessary to enable the University to comply with its obligations under its agreement(s) with the Manufacturer, including, without limitation, wearing and/or using exclusively the products of the Manufacturer as and to the extent required by such agreement(s). During the Term, Coach shall not enter into or maintain any endorsement, promotional, consulting, or similar agreement (i) with any person or entity that licenses, manufactures, brands, or sells athletic products, whether through retail locations, on-line, by direct mail, television shopping networks, or otherwise; (ii) that would prohibit or otherwise restrict the Manufacturer’s use of Coach’s name, image, or likeness, as provided in this Agreement, or subject such use to a third party’s approval, or (iii) that would otherwise cause the University to violate its agreement(s) with the Manufacturer.

The University currently has a Manufacturer agreement with Nike (“Nike Agreement”), and expects payments to Coach of \$250,000 per Contract Year in accordance with the terms of the Nike Agreement (or any substitute Manufacturer partner agreement “Substitute Manufacturer Agreement”). In the event the Nike Agreement (or Substitute Manufacturer Agreement) is terminated or otherwise is no longer in effect during the Term, or if payments to Coach pursuant to the Nike Agreement are less than \$250,000 for a Contract Year, the parties will engage in good faith negotiations regarding a potential adjustment of this Agreement.

12. Communications.

Coach shall follow any and all protocols established from time to time by the Chancellor and/or the Director of Athletics with respect to contact with University officials (including, without limitation, members of the Board of Trustees) about matters of concern related to the Program and/or the Department of Athletics. This provision permits non-substantive discourse between Coach and University officials in the context of social or other gatherings, but discussion of all substantive issues (including, without limitation, items of concern) about the Program or the Department of Athletics shall be handled in accordance with established protocols. In addition, Coach acknowledges that as part of the University's administration and its publicly visible representative, Coach has an affirmative duty to support the University's policies and academic priorities in his actions and in public discourse.

13. Additional Compliance Obligations.

- (a) Compliance. In performing Coach's duties under this Agreement, Coach shall comply with all applicable Governing Body Requirements, and at all times shall exercise due care that all personnel and students under his supervision (directly or indirectly) so comply. In particular, Coach recognizes an obligation personally to comply with and to exercise due care that all personnel and students subject to his control and authority (directly or indirectly) comply with Governing Body Requirements related to (i) recruiting and furnishing unauthorized extra benefits to recruits and student-athletes, including without limitation purchase and sale of game tickets and furnishing unauthorized transportation, housing, and meals; (ii) sports agents, gambling, betting, and bookmaking, and (iii) the illegal sale, use, or possession of controlled substances, narcotics, substances banned by the NCAA or other applicable regulatory entity, or other chemicals, steroids, or performance enhancing drugs. Coach also shall use Coach's best efforts to cause all representatives of the University's athletics interests to comply with all applicable Governing Body Requirements. In the event that Coach becomes aware, has reasonable cause to believe, or learns of a circumstance or state of affairs that would cause a reasonable person to suspect that a violation of a Governing Body Requirement may have taken place, Coach shall immediately report the same to the Director of Athletics and Associate Athletic Director for Compliance.
- (b) Inappropriate Involvement. Coach shall exercise due care to avoid inappropriate involvement by Coach or any individual (including, but not limited to, student-athletes) under Coach's supervision with non-employee "representatives of the institution's athletic interests" (as defined by NCAA Bylaws) which is contrary to the Governing Body Requirements. Within a reasonable time after becoming aware of any potential action by Coach in violation of this subsection, the University shall notify Coach of any concerns that it may have regarding such involvement. This notice shall not preclude the University from taking appropriate disciplinary action.
- (c) Institutional Control. Coach recognizes and acknowledges the importance of maintaining and observing the principles of institutional control as contemplated

by the Governing Body Requirements over every aspect of the Program. Coach agrees to recognize and respect the reporting relationships and the organizational structure of the University.

- (d) Standards. Coach shall perform his duties and personally comport himself at all times in a manner consistent with good sportsmanship and with the high moral, ethical, and academic standards of the University. At all times Coach shall exercise due care that all personnel and students under Coach's supervision or subject to Coach's control or authority shall comport themselves in like manner.
- (e) Cooperation. Coach shall fully and timely participate in any investigation and adjudication of possible violations of Governing Body Requirements that are conducted, authorized, or supported by the University, the ACC or other conference of which the University is a member, or the NCAA. Coach recognizes his affirmative obligation to cooperate fully in the NCAA infractions process, including the investigation and adjudication of a case as set forth in NCAA Bylaw 19.2.3. In addition to other provisions of this Agreement that provide for sanctions for violating Governing Body Requirements, Coach recognizes that if he is found to be in violation of NCAA regulations, Coach shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA infractions process contained in NCAA Bylaw 19, including suspension without pay or termination of employment.
- (f) Obligation to Furnish Certain Information. Coach shall furnish to the University, upon request, any information that the University considers necessary or reasonably useful for purposes of any investigation of any potential infraction or violation of any Governing Body Requirement involving the Program or the Department of Athletics.
- (g) Consequences of Violation. In the event that Coach or personnel under Coach's direct or indirect supervision is/are found to be in violation of any Governing Body Requirement during the Term, Coach shall be subject to disciplinary or corrective action as set forth in this Agreement and the Governing Body Requirements, including University policies and procedures. Without limiting other available remedies, Coach may be suspended, including but not limited to suspension without pay, or Coach's employment may be terminated for Cause as provided for in this Agreement, if Coach is found to have been involved in serious or repetitive violations of Governing Body Requirements or otherwise as contemplated by the applicable enforcement procedures. For purposes of this Section, serious violations shall include, but are not limited to, any Level I or Level II NCAA violation involving Coach or a camp entity associated with Coach that results in sanctions against the University such as probation, forfeiture of athletic contests, loss of scholarships, prohibition against conference, championship or telecast appearances, or any other similar sanction that the NCAA, ACC or other conference of which the University is a member, or other governing body may impose under the Governing Body Requirements.

14. Representation of the University.

- (a) By Coach. Coach shall conduct both Coach's employment activities and Coach's personal life in a manner that will not bring disgrace or embarrassment to the University or Coach; that will not in the University's reasonable discretion tend to shock, insult, or offend the greater North Carolina and/or University alumni communities; that does not in the University's reasonable discretion manifest contempt or disregard for public morals or decency; and that complies with applicable University policies, procedures, and rules with respect to personal conduct.
- (b) By Others. Coach shall use Coach's best efforts in good faith to cause all Program members and University personnel whom Coach is responsible for supervising to conduct both their activities in connection with the Program and their respective personal lives in a manner that will not bring disgrace or embarrassment to the University or themselves; that will not in the University's reasonable discretion tend to shock, insult or offend the greater North Carolina and/or University alumni communities; that does not in the University's reasonable discretion manifest contempt or disregard for public morals or decency; and that complies with applicable University policies, procedures, and rules with respect to personal conduct.

15. Use of Name, Image, Likeness, and Other Information.

Coach consents to the use of Coach's name, nickname, initials, autograph, signature, voice, video or film portrayals, photograph, image or likeness, and any other means of endorsement or identification of or by Coach, including statistical, biographical, or other information or data relating to Coach, by the University or by any party under contract with the University in the conduct and promotion of the University, the University's athletics program and/or the Program, and as otherwise contemplated by this Agreement.

16. Automatic Termination Upon Death or Disability of Coach.

- (a) This Agreement shall terminate immediately and automatically without notice in the event that Coach dies.
- (b) If this Agreement is terminated pursuant to Section 16(a) because of death, the Coach's salary and all other benefits shall terminate as of the end of the calendar month in which death occurs, except that Coach's personal representative(s) or other designated beneficiary shall be paid all death benefits, if any, as may be contained in any benefit plan now in force or hereafter adopted by the University and due to Coach as an EHRA non-faculty employee.
- (c) This Agreement shall terminate, upon reasonable notice to Coach by University, in the event that Coach becomes and remains unable to perform the essential functions of Coach's employment hereunder for a period of ninety (90)

consecutive days or ninety (90) days in any one hundred fifty (150) day period by reason of medical illness or incapacity. Such determination of Coach's inability to perform Coach's duties shall be made in the sole judgment of the Chancellor and Director of Athletics; provided, however, that the Chancellor and Director of Athletics shall, prior to making such judgment, seek the advice and opinion regarding such disability of an impartial physician competent to provide such advice and opinion, as may be mutually agreed upon by Coach or Coach's legal representative(s) and the Director of Athletics of the University. If Coach or Coach's legal representative(s), as the case may be, and the Director of Athletics are unable to agree upon such physician, the selection shall be made by the Dean of the School of Medicine of The University of North Carolina at Chapel Hill.

- (d) In the event that this Agreement is terminated pursuant to Section 16(c), the University shall have no further liability to Coach pursuant to this Agreement except for (i) payment of amounts due Coach accrued hereunder prior to the date of termination, and (ii) payment of any disability benefits to which Coach may be entitled pursuant to any disability program in which Coach is enrolled through University. Specifically and without limitation, at the end of such ninety (90) or one hundred fifty (150) day period, as applicable, all salary and other benefits shall terminate, except that Coach shall be entitled to receive payment of any disability benefits to which Coach is entitled under any disability program in which Coach is enrolled through the University.
- (e) Notwithstanding any other provision herein, this Agreement does not and shall not be construed to afford University the right to take any action that is unlawful under the Americans with Disabilities Act or to constitute in any respect a waiver of rights under such Act.
- (f) The termination of this Agreement under this Section 16 shall not constitute a breach of this Agreement, and, except for the payments, if any, required by this Section 16, Coach hereby waives and relinquishes all rights to payment of compensation, damages or other relief on account of such termination to the fullest extent allowable by law.

17. Termination by University for Cause.

The University may terminate this appointment for Cause at any time upon written notice to the Coach. For purposes hereof, "Cause" shall mean the following:

- (a) Material failure to perform any of the duties specified in this Agreement;
- (b) A violation by the Coach, or knowing participation by the Coach in a violation, or a violation which the Coach condoned, of an NCAA regulation or bylaw, or of a regulation or bylaw of the ACC or other conference of which the University is a member, of a policy of or applicable to the University, or any other Governing Body Requirement. For the foregoing to constitute Cause, the violation must be

considered major or serious (such as repeated violations or violations that the University determines reasonably could be expected to result in sanctions such as probation, forfeiture of athletic contests, loss of scholarships, or prohibition against conference, championship, or telecast appearances, or restrictions on a coach's right to recruit). For purposes of this Section, whether or not a violation has occurred, and whether a violation is major or serious, shall be reasonably determined in the sole discretion of the University after its review of the relevant facts and circumstances;

- (c) Any action that is:
 - (i) taken by the Coach or someone supervised by the Coach, or
 - (ii) taken at the direction of the Coach or someone supervised by the Coach, or
 - (iii) known by the Coach or someone supervised by the Coach and not reported to the Department of Athletics Compliance Office by the Coach or person supervised by the Coach,

and that results in any form of disciplinary finding, action against, or sanction for the Coach or the Program by the NCAA (Level I or Level II violations, repeat Level III violations (3 or more), or head coach responsibility), conference, University, or other regulatory body (exceeding an institutional letter of admonishment or reprimand). With respect to actions taken by someone supervised by the Coach or actions taken at the direction of someone supervised by the Coach, Coach shall not be subject to termination for cause if Coach can establish, consistent with NCAA rules, Coach promoted an atmosphere of compliance and properly monitored the conduct of the individual supervised by Coach;

- (d) Conviction by the Coach of any felony or any crime that involves dishonesty, or behavior by the Coach that displays a continual or serious disrespect for the integrity and ethics of the University;
- (e) Behavior by Coach that, as reasonably determined in the sole discretion of the University after its review of the relevant facts and circumstances, displays a continual or serious disrespect for the integrity, values, or ethics of the University or the Program, or which has or is likely to have a material adverse impact on the reputation of the University or the Program;
- (f) Commission of or participation in by Coach of any act or occurrence that brings Coach into public disrepute, contempt, scandal, or ridicule, or failure by Coach to conform his personal conduct to conventional standards of good citizenship, with such conduct reflecting unfavorably on the University's reputation or primary mission, including but not limited to acts of dishonesty, misrepresentation, fraud,

or violence that may or may not rise to a level warranting criminal prosecution by relevant authorities;

- (g) Misconduct of Coach, or misconduct by an assistant coach or staff member of which Coach knew, had reason to know, or should have known through the exercise of reasonable diligence or which Coach condoned, of such a nature, as reasonably determined in the discretion of the University, that would tend to bring disrespect, contempt, or ridicule upon the University, or which brings discredit to the University, or which harms the University's reputation, or which reasonably brings into question the integrity of Coach, or that would render Coach unfit to serve in the position of Head Coach;
- (h) Failure by Coach to report promptly to the Director of Athletics any violations of Governing Body Requirements known to Coach by coaches, students, or other persons under the direct control or supervision of Coach;
- (i) Failure by Coach to fully and timely participate in any investigation and adjudication of possible violations of Governing Body Requirements that are conducted, authorized, or supported by the University, the ACC or other conference of which the University is a member, or the NCAA;
- (j) Failure by Coach to furnish to the University, upon request, any information that the University considers necessary or reasonably useful for purposes of any investigation of any potential infraction or violation of any Governing Body Requirement involving the Program or the Department of Athletics;
- (k) Failure by Coach to obtain prior approval for outside activities or to report accurately all sources and amounts of outside income and benefits as required by this Agreement;
- (l) Failure by Coach to promptly report to the University's Title IX coordinator any incident of sexual or gender-based harassment (as defined in the University's Policy on Prohibited Discrimination, Harassment, and Related Misconduct, including but not limited to sexual violence, interpersonal violence, sexual exploitation, and stalking) when Coach receives a disclosure of sexual or gender-based harassment or becomes aware of information that would lead a reasonable person to believe that sexual or gender-based harassment may have occurred involving anyone covered by the University's Policy. This includes any incident or information whether related to the victim/survivor or the alleged perpetrator, or both;
- (m) Coach's sale, use, or possession, or Coach's permitting, condoning, or encouraging by a student-athlete, assistant coach, or other Athletics staff member, of the sale, use, or possession of any narcotics, drugs, controlled substances, steroids, or other chemicals, the sale, use, or possession of which by Coach, student-athlete, assistant coach, or other Athletics staff member is prohibited by

law, University policy, or other Governing Body Requirements as determined by the University;

- (n) Soliciting, placing, or accepting by Coach of a bet on any intercollegiate athletic contest, or permitting, encouraging, or condoning such acts by any other person associated with the Program;
- (o) Participating in, condoning, or encouraging by Coach of any gambling, bookmaking, or betting involving any intercollegiate or professional athletic contest whether through a bookmaker, a parlay card, a pool, or any other method of organized gambling;
- (p) Failure to use Coach's best efforts to assure the fair and responsible treatment of student-athletes with regard to their health, welfare, safety and discipline including, but not limited to, actions consistent with NCAA legislation, the NCAA principle of student-athlete well-being, and the guidance of training and medical staff;
- (q) Prolonged absence from duty without the consent of the Director of Athletics;
- (r) Any other material breach by the Coach of the terms of this Agreement or of University or Department of Athletics policy; or
- (s) Any of those causes specified in Section VIII of the EHRA Policies.

In the event of a termination of the Coach for "Cause," the University's sole obligation to the Coach shall be payment of Coach's compensation earned from the University through the date of such termination, and any eligible leave payout as afforded under the EHRA Policies.

18. Termination by University Without Cause.

- (a) This Agreement may be terminated unilaterally by the Chancellor or the Director of Athletics at any time upon written notice to Coach, in the absence of Cause (as "Cause" is defined in Section 17 of this Agreement).
- (b) In the event this Agreement is terminated pursuant to Section 18(a), University shall pay Coach liquidated damages set forth below in lieu of any and all other legal remedies or equitable relief in an amount equal to the sum total of any remaining unpaid Base Salary payments due to Coach as set forth in Section 4, but subject to offset as provided in this Section 18.
- (c) Offset. Coach acknowledges and agrees that the amount of liquidated damages due pursuant to this Section 18 shall be reduced by any compensation received by Coach in a Comparable Position (as defined in this Section) during the period remaining under this Agreement had it not been terminated pursuant to Section 18(a). If Coach's employment is terminated pursuant to Section 18(a), and if

Coach is engaged to provide services as an employee, independent contractor, or otherwise for any college or university (a "Comparable Position"), the University's financial obligation to Coach shall be to pay Coach the difference between Coach's Base Salary through June 30, 2030 as set forth in Section 4 and the "Gross Income" (defined as income of any kind whatsoever Coach receives related to Coach's Comparable Position). In the event Gross Income related to Coach's Comparable Position is scheduled to escalate (or does escalate) by greater than fifteen percent (15%) in any year after the first year of Coach's new employment term, then Gross Income shall be calculated as the average annual Gross Income to be received by Coach pursuant to, and during the entire term of, Coach's new position. If Coach's compensation in the Comparable Position equals or exceeds the Base Salary Coach would have earned at the University through June 30, 2030 as set forth in Section 4, the University's financial obligations to Coach shall cease. Coach agrees that any Comparable Position he accepts will be at the fair market value for that position, and that he will not structure the timing of income in a new position to avoid the reduction of the University's payment obligations.

Coach shall notify the University immediately if Coach obtains a Comparable Position or has been engaged to provide services as an employee, independent contractor, or otherwise. For any Comparable Position, Coach must provide the University a copy of an offer letter or employment contract within fourteen (14) days of obtaining employment. Coach also must provide the University with a written accounting of all Gross Income Coach earns or receives during the immediately preceding quarter, a copy of his W-2 form and 1099 MISC form for each calendar year, and other evidence reasonably requested by the University of compensation to Coach and income from entities owned or controlled by Coach due to the Comparable Position for each Contract Year for which the University has the obligation to make payments under this Section 18. If Coach fails to notify the University of Coach's Comparable Position, fails to timely provide the written accounting of Gross Income, or fails to provide the required tax forms, the University's financial obligations to Coach shall cease.

- (d) Payment of the amount determined pursuant to Section 18(b) shall occur during the time period remaining under this Agreement had it not been terminated pursuant to Section 18(a) as follows: (i) on the effective date of termination without Cause, payment shall be made of amounts due with respect to the remainder of that Contract Year; and (ii) payments due hereunder with respect to each subsequent Contract Year shall be made on the last day of each three (3) month period of each such subsequent Contract Year, until all amounts due have been paid in full; provided, however, that if University concludes that Internal Revenue Code Section 457(f) would otherwise accelerate taxation of the liquidated damages to the termination date, then the University shall pay by December 31 of the second calendar year following the calendar year in which the termination is effective any amount which would have otherwise been paid after such December 31 (the "Lump Sum"), subject to a right of reimbursement with

respect to the Lump Sum if Coach has compensation as set out below in Contract Years to which such Lump Sum relates. If University has made payment to Coach of a Lump Sum under this Section 18, Coach shall reimburse the University by the end of each Contract Year to which the Lump Sum relates an amount equal to the Coach's compensation during such Contract Year that would have reduced the Lump Sum if it had been determined and paid at the end of such Contract Year. Except as specifically provided above in this Section 18, the University shall not be liable to Coach for compensation, for benefits with respect to periods after the date of termination, or for any collateral business opportunities or other benefits or activities entered into pursuant to this Agreement that may be related to Coach's position as Head Coach of the Program.

- (e) The parties have bargained for and agreed to this liquidated damages provision, giving consideration to the following: (i) this is an Agreement for personal services; and (ii) the parties recognize that a termination of this Agreement by University prior to its natural expiration could cause Coach to lose benefits, compensation, and/or outside compensation relating to Coach's employment at University, which damages are difficult to determine with certainty. Therefore, the parties have agreed upon this liquidated damages provision and further agree that the liquidated damages provided for herein are reasonable in amount and not a penalty.
- (f) Termination of this Agreement upon the death or disability of Coach as provided in Section 16 of this Agreement shall not give rise to a right to liquidated damages pursuant to this Section 18.

19. Termination by Coach.

- (a) Coach recognizes that Coach's promise to work for the University for the entire Term is an essential consideration in the University's decision to employ Coach in the capacity of Head Coach of the Program. Coach also recognizes that the University is making a highly valuable investment in Coach's continued employment by entering into this Agreement and its investment would be lost or diminished were Coach to resign or otherwise terminate Coach's employment as Head Coach of the Program prior to the expiration of this Agreement. Coach nevertheless may terminate this Agreement for any reason upon written notice to the University.
- (b) In the event Coach terminates this Agreement and accepts a position as a coach or administrator for any college or professional sports organization, prior to June 30, 2030, Coach will pay University liquidated damages in lieu of any and all other legal remedies and equitable relief in the same amount the University would have owed Coach pursuant to Section 18(b) of this Agreement had the University terminated Coach without Cause on the same day Coach accepts such a position. Coach shall pay this amount over what would have been the remaining term of the Agreement as follows: (i) on the date Coach accepts a position as a coach or

administrator for any college or professional sports organization prior to June 30, 2030, Coach shall pay the University the amount that would have been due with respect to what would have been the remainder of that Contract Year; and (ii) payments due with respect to what would have been each subsequent Contract Year shall be made on the last day of each three (3) month period of each such subsequent Contract Year, through June 30, 2030.

- (c) The parties have bargained for and agreed to this liquidated damages provision, giving consideration to the following: (i) this is an Agreement for personal services; and (ii) the parties recognize that a termination of this Agreement by Coach prior to its natural expiration could cause University to incur administrative, recruiting, resettlement, and other costs to obtain a replacement coach in addition to potentially increased compensation costs and loss of ticket, broadcast, and other revenue, and fan and donor support, which damages are difficult to determine with certainty. Therefore, the parties have agreed upon this liquidated damages provision and further agree that the liquidated damages provided for herein are reasonable in amount and not a penalty.
- (d) Termination of this Agreement upon the death or disability of Coach as provided in Section 16 of this Agreement shall not give rise to a right to liquidated damages pursuant to this Section 19.
- (e) Coach or Coach's representatives shall be required to notify the Director of Athletics prior to engaging in material discussions about prospective employment with other educational institutions, including discussions related to offers of administrative opportunities. Failure to provide the requisite notice prior to engaging in any such discussions shall constitute a material breach of this Agreement.

20. Termination by Agreement of Both Parties.

This Agreement may be terminated at any time upon mutual written agreement of the parties.

21. Termination Consequences.

The financial consequences of termination of this Agreement are set forth exclusively in this Agreement and the EHRA Policies. With the sole exception of payments required by this Agreement, in any instance of termination, neither Coach nor the University shall be entitled to receive, and each hereby waives any claim against the other, and their respective officers, directors, agents, employees, successors, and personal representatives for consequential damages for any alleged economic loss, including without limitation loss of collateral income, loss of earning capacity, loss of business opportunity, loss of perquisites, loss of appearance, camp, or other outside activity fees, or expectation income, or damages allegedly sustained by reason of alleged defamation or embarrassment resulting from the fact of termination, the public

announcement thereof, or the release by the University of information or documents required by law. Coach acknowledges that in the event of termination of this Agreement, he shall have no right to occupy the position of Head Coach and that his sole remedies are provided in this Agreement and shall not extend to injunctive relief.

22. Confidentiality and Related Provisions.

- (a) Confidentiality. Coach acknowledges that while employed by the University Coach will occupy a position of trust and confidence and will receive and have access to Confidential Information. For purposes of this Agreement, "Confidential Information" means any information not generally available to the public regarding the University or its actual or prospective students, employees, alumni or donors and shall include, without limitation, information regarding actual or potential activities of the University; admissions information; fundraising information; financial statements, budgets, projections, or other financial information; the identities of persons under consideration for positions as trustees, officers or employees of the University; vendor contracts and/or pricing; customer information and/or pricing; information regarding actual or potential NCAA, league, conference, governing body, legal or regulatory proceedings; and any other information that should by its nature or context be recognized as proprietary and/or confidential. Coach acknowledges that such Confidential Information is specialized, unique in nature and of great value to the University, and that such information gives the University a competitive advantage.

During the Term and thereafter, Coach shall not use the Confidential Information or disclose the Confidential Information to any third party, except (i) as required to perform Coach's duties to the University in a manner consistent with professional standards and obligations; (ii) as authorized by the University; (iii) in furtherance of the University's legitimate business interests; (iv) to comply with any applicable law, regulation, Governing Body Requirement or accreditation standard; (v) to seek legal counsel; or (vi) to the extent such Confidential Information shall have become public other than by Coach's unauthorized use or disclosure. In no event shall Coach use or disclose Confidential Information if such use or disclosure could reasonably be expected to expose the University to competitive disadvantage or legal liability, or could otherwise harm the University.

- (b) Return Of Documents And Property. All materials or articles of information including, without limitation, personnel records, recruiting records, team information, films, statistics, or any other material or data furnished to Coach by the University or developed by Coach on behalf of the University or at the University's direction or for the University's use or otherwise in connection with Coach's employment hereunder are and shall remain the University's sole property. Coach agrees to deliver or return to the University, at the University's request at any time or upon termination or expiration of Coach's employment or as soon thereafter as possible, all such property furnished by the University or

prepared, maintained, or acquired by Coach in the course of Coach's employment by the University including, without limitation, computer equipment, keys, documents, computer tapes and disks, records, lists, data, drawings, prints, notes and all other written information, in any form or media and including all copies. Coach may retain copies of his professional material (including, without limitation, calendars, practice outlines, training protocols, program manuals, staff manuals, etc.) so long as such material does not contain Confidential Information.

- (c) Public Record. Coach acknowledges that this Agreement is a public record subject to disclosure under North Carolina's Public Records Law.
- (d) Remedies for Breach. Coach expressly agrees and understands that the remedy at law for any breach by Coach of this Section 22 will be inadequate and that damages flowing from such breach often are not susceptible to being measured in monetary terms. Accordingly, it is acknowledged that upon Coach's violation of any provision of this Section 22 the University shall be entitled to obtain from any court of competent jurisdiction immediate injunctive relief and obtain a temporary order restraining any threatened or further breach as well as an equitable accounting of all profits or benefits arising out of such violation. Nothing in this Section 22 shall be deemed to limit the University's remedies at law or in equity for any breach by Coach of any of the provisions of this Section 22, which may be pursued by or available to the University.
- (e) Reasonableness. Coach agrees that the restrictions set forth in this Section 22 are reasonable and necessary to adequately protect the University's interests and agrees not to challenge the reasonableness of any such restriction in any proceeding to enforce it.

23. Additional Provisions.

- (a) Athletics Eligibility. The parties recognize that a student-athlete may be declared ineligible for competition for academic reasons, as a disciplinary sanction under the University's policies (including the Student-Athlete Code of Conduct), or because the University believes that he or she is not eligible according to the rules for athletic competition specified by the ACC or the NCAA. This decision may be made by Coach, the Director of Athletics, or the Chancellor (or the Chancellor's designee). In no event shall such an action taken by the University be considered a breach of this agreement.
- (b) Assignment; Successors. This Agreement, in accordance with its terms and conditions, shall inure to the benefit of and be binding upon University, its successors and assigns, and Coach, Coach's heirs, executors, administrators, and legal representatives.
- (c) Taxes. Coach acknowledges that, in addition to the salary provided for in this Agreement, certain benefits Coach receives incident to Coach's employment

relationship with the University may give rise to taxable income. Coach agrees to be responsible for the payment of any taxes (including federal, state, and local taxes) due on such income. Coach also understands that the University will withhold taxes on amounts paid or due to Coach and the value of benefits provided to Coach to the extent required by applicable law and regulation. Coach shall comply with all applicable reporting and record-keeping requirements in regard to compensation, benefits, and reimbursed expenses.

- (d) Severability. In the event that a court of competent jurisdiction determines that any portion of this Agreement is unenforceable or in violation of any law or public policy, only the portions of this Agreement that are unenforceable or that violate such law or public policy shall be stricken. All portions of this Agreement that are enforceable or that do not violate any law or public policy shall continue in full force and effect. Further, the parties intend that any court order striking any portion of this Agreement shall modify the stricken terms as narrowly as possible to give as much effect as possible to the intentions of the parties under this Agreement.
- (e) Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing, and if sent to (i) Coach's residence by registered or certified mail or to Coach's University-provided email address in the case of Coach, or (ii) the offices of the Director of Athletics and Chancellor by registered or certified mail or to the Director of Athletics' and Chancellor's University-provided email addresses, in the case of the University.
- (f) Venue and Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of North Carolina. The exclusive venue in any judicial action or proceeding arising out of or relating to this Agreement shall be the state or federal courts located in the State of North Carolina. The parties acknowledge that such courts have jurisdiction to interpret and enforce the provisions of this Agreement, and the parties consent to, and waive any and all objections that they may have to personal jurisdiction and venue in such courts.
- (g) Equal Participants. Each party hereto shall be viewed as an equal participant, and each party agrees that there shall be no presumption against the drafting party.
- (h) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement

for all purposes. Signatures of the parties transmitted by the foregoing means shall be deemed to be their original signatures for all purposes.

- (i) Survival of Provisions. The obligations contained in Sections 4, 13(e), 13(f), 15, 16, 17, 18, 19, 21, 22, 23, 24, and 25 shall, to the extent provided therein, survive the termination or expiration of this Agreement and, as applicable, shall be fully enforceable thereafter in accordance with the terms of this Agreement.

24. Coach's Representation.

Coach affirms and represents that Coach is under no obligations to any current or former employer or other third party, or pursuant to any applicable statute or regulation, which are in any way inconsistent with, which impose any restriction upon, or which require any payment by or on behalf of Coach in view of, Coach's employment by the University or Coach's undertakings under this Agreement, or that prevent Coach from complying with any other agreement that the University has with a third party.

25. Entire Agreement.


Effective upon signature by both parties, this Agreement cancels all prior agreements between the parties and contains the entire agreement of the parties. It may not be changed orally. This Agreement and any amendments thereto shall be effective only if signed by both parties and approved, as required, pursuant to the policies of the Board of Governors of The University of North Carolina. Coach acknowledges and agrees that neither the University nor anyone acting on its behalf has made, and is not making, and in executing this Agreement, the Coach has not relied upon, any representations, promises or inducements except to the extent expressly set forth in this Agreement. In the event of any conflict between the terms of this Agreement and any University policy, procedure, rule or regulation, the terms of this Agreement shall control.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

FOR AND ON BEHALF OF
THE UNIVERSITY OF NORTH
CAROLINA AT CHAPEL HILL

COACH


Lawrence (Bubba) Cunningham
Director of Athletics



Hubert Davis

12/4/2024

Date

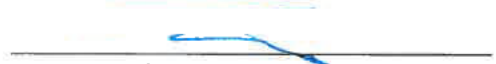
12/4/2024

Date


Nathan Knuffman
Vice Chancellor for Finance and Operations

12/11/24

Date


Lee H. Roberts
Chancellor

10 DEC 24

Date

Approved by the Board of Trustees:


Christopher McClure
Assistant Secretary

12/6/24

Date