

AMENDMENT NUMBER 2 TO EMPLOYMENT AGREEMENT

This is Amendment Number 2 to the Employment Agreement dated as of January 19, 2023, but shall be deemed effective as of December 19, 2022 between **THE UNIVERSITY OF TENNESSEE**, for and on behalf of The University of Tennessee, Knoxville (“UTK”) and UTK’s Athletics Department (collectively, the “University”), and **JOSHUA K. HEUPEL** (“Coach”) that became effective on March 31, 2022, as amended by Amendment Number 1 that became effective on August 1, 2022. In consideration of the covenants contained in this Amendment Number 2, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

The University and Coach agree to extend the Term of the Employment Agreement by one (1) year. Accordingly, Article I, Section 1.2 of the Employment Agreement is amended by deleting the date of “January 31, 2028” and inserting instead the date of “January 31, 2029.”

Article II, Section 2.2.1 of the Employment Agreement is amended by deleting the current language in its entirety and substituting the following language:

Section 2.2.1. Supplemental Pay. The University agrees to pay Coach additional annualized compensation payable from income earned by the University under the University’s various broadcast, endorsement, and/or consultation contracts (“Supplemental Pay”) in the amount of Eight Million Seven Hundred Twenty-Five Thousand Dollars (\$8,725,000). The University shall pay the Supplemental Pay to Coach in equal monthly installments in accordance with the University’s customary monthly payroll procedures, with partial years or months prorated. Supplemental Pay shall not be increased in accordance with the terms of any across the board or merit salary increase authorized or mandated for University employees by the State of Tennessee or the University.

Article II, Section 2.3 of the Employment Agreement is amended by deleting the following sentence from the final paragraph: “The maximum amount of incentive compensation that may be earned in any Contract Year shall be One Million Two Hundred Thousand Dollars (\$1,200,000).”

Article II, Section 2.3.2(a) of the Employment Agreement is amended by deleting “\$500,000” and inserting instead “\$1,000,000.”

Article II, Section 2.7 of the Employment Agreement is amended by deleting “three (3) round-trip flights” and inserting instead “five (5) round-trip flights/ten (10) occupied legs.”

Article II, Sections 2.9(a) and 2.9(e) of the Employment Agreement are amended by deleting “Twelve (12)” from each section and inserting instead “Twenty-four (24).”

Article III, Section 3.1.2 of the Employment Agreement is amended by deleting the current language in its entirety and substituting the following language:

Section 3.1.2. University Separation Payment. If the University terminates Coach's employment without Cause, then the University shall pay Coach a separation payment ("University Separation Payment") in the amount of: (i) one hundred percent (100%) of the Base Pay and Supplemental Pay which would have been payable from the date of termination through January 31, 2029, if such termination occurs before December 15, 2025; or (ii) seventy-five percent (75%) of the Base Pay and Supplemental Pay which would have been payable from the date of termination through January 31, 2029, if such termination occurs on or after December 15, 2025, but before December 15, 2027; or (iii) fifty percent (50%) of the Base Pay and Supplemental Pay which would have been payable from the date of termination through January 31, 2029, if such termination occurs on or after December 15, 2027, but before December 15, 2029. Payment of the University Separation Payment shall be made in equal monthly installments over a period equal to the number of months remaining between the University Termination Date and January 31, 2029, with the first monthly installment of the University Separation Payment due on or before the last day of the month following the month in which Coach's employment was terminated. The University's obligations to pay the University Separation Payment shall not accrue interest (so long as not in arrears). As a condition of being eligible to receive the University Separation Payment, Coach shall be required to execute a waiver and release of claims substantially in the form attached as Appendix A (which may be modified to conform to subsequent changes in the law or by mutual agreement of the parties) and incorporated herein by reference.

Notwithstanding anything herein to the contrary, if following a termination by the University without cause under Section 3.1, Coach accepts any new employment during the Term of the Employment Agreement, then during the period of time in which the University is obligated to make the University Separation Payment, Coach shall promptly report to the University on a quarterly basis all non-passive income earned from any employment (whether as an employee or independent contractor). For each month from the termination date through the end of the Term, the University shall have the right to deduct or offset any and all such non-passive income of Coach from any employment (whether as an employee or independent contractor) from the monthly University Separation Payment installment. University hereby acknowledges and agrees that Coach shall have no obligation to mitigate any of University's obligations under this Paragraph 3.1.2.

Article III, Section 3.3.2 of the Employment Agreement is amended by deleting each occurrence of the date of "December 15, 2027" and inserting instead the date of "December 15, 2028."

Except as revised by this Amendment Number 2, the Employment Agreement, as previously amended by Amendment 1, remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment Number 2 on the dates indicated below.

THE UNIVERSITY OF TENNESSEE

By:

DocuSigned by:
Danny White
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Dr. Daniel J. White
Vice Chancellor and Director of Athletics
The University of Tennessee, Knoxville

1/19/2023 | 09:23:18 PST

Date

JOSHUA K. HEUPEL

DocuSigned by:
Josh Heupel
CCE9160611A4444...

Joshua K. Heupel

1/19/2023 | 09:13:05 PST

Date

DocuSigned by:
Donde Plowman
E58D6E72BC1744E...

Dr. Donde Plowman, Chancellor
The University of Tennessee, Knoxville

1/19/2023 | 11:34:43 MST

Date