

AGREEMENT

THIS AGREEMENT is entered into by and between THE UNIVERSITY OF TENNESSEE, a public educational corporation of the State of Tennessee (hereinafter referred to as University), for and on behalf of the UT, Knoxville Men's Athletics Department, and MICHAEL E. HAMILTON (hereinafter referred to as Mr. Hamilton). This Agreement supersedes all other agreements between University and Mr. Hamilton.

WITNESSETH:

In consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

I

Mr. Hamilton agrees to serve as Director of Men's Athletics for The University of Tennessee, Knoxville, with duties and responsibilities including but not limited to:

1. Reporting to the President of the University. Mr. Hamilton is responsible for the conduct of the Men's Athletics Department and its programs, including responsibility for the actions of its athletes and staff members, in compliance with the rules and regulations of the NCAA, Southeastern Conference, and the University.
2. Making effective efforts to ensure student-athletes are provided proper academic counseling through University advising services and appropriate Athletics Department personnel to attain the best possible completion of degree programs and graduation rates.
3. Organizing, managing and directing the administrative and related activities of the Men's Athletics Department consistent with the philosophy and purposes of the University and the Athletics Board.

4. Developing and maintaining programs that will assure meaningful, enriching, and rewarding experiences for all who participate in or are involved with the Men's Athletic Department.
5. Representing and promoting the Men's Athletics Department and its programs to the public, generating fan interest, and soliciting private gifts for athletics programs and facilities.
6. Continually envisioning and planning for the future direction and needs of the Men's Athletics Department and making recommendations to responsible University administrators and to the Athletics Board.
7. Presenting a complete, informative assessment of the men's athletics program at UT, Knoxville, in terms of its success and educational functions, to the President, Chancellor, administration, faculty, students, alumni, and community.
8. Developing effective internal communications with all members of the Department so an efficient and effective program will be maintained.
9. Devising, organizing, and promoting an aggressive and competitive schedule for all sports.
10. Serving as official spokesperson of the Men's Athletics Department in matters of athletics policy in accord with University procedures and organization.
11. Organizing the internal communications structure of the Men's Athletics Department, informing staff members of athletics decisions made at

administrative levels with emphasis on compliance with University policies and rules and regulations of the NCAA and the Southeastern Conference.

12. Preparing, reviewing, and managing the departmental budget and receiving appropriate administrative approval for the budget.
13. Reviewing and approving departmental operating expenditures.
14. Directing the management, maintenance and development of the department's physical plant and facilities.
15. Instructing and advising support staff on University policies and procedures.
16. Representing the Men's Athletics Department at conference and national levels.
17. Directing research for special projects.

II

The University, as payment and consideration for the services to be performed by Mr. Hamilton, as set forth herein, agrees to pay Mr. Hamilton an annual salary of \$350,000.00 ("Base Salary"), payable in twelve monthly installments, for the University's fiscal year 7/1/09-6/30/10. The Base Salary shall be \$400,000.00, payable in twelve monthly installments, for the University's fiscal year 7/1/10-6/30/11. For each subsequent fiscal year in which Mr. Hamilton serves as Director of Men's Athletics, the Base Salary shall be determined by the President of the University with the knowledge and consent of the Vice Chair of the University's Board of Trustees, but in no event shall the annual Base Salary for those subsequent fiscal years be less than \$400,000.00.

On or before May 30 of each contract year, Mr. Hamilton and the President of the University shall meet to review Mr. Hamilton's performance pursuant to the terms of this Agreement; to consider whether Mr. Hamilton is entitled to a Discretionary Bonus (and, if so, in what amount) as provided for in Article IV and Schedule C attached hereto; and, for the 2010-11 contract year and subsequent contract years in which Mr. Hamilton serves as Director of Men's Athletics, to consider Mr. Hamilton's Base Salary for the upcoming fiscal year.

III

The University agrees to pay Mr. Hamilton the additional sum of \$90,000.00 annually as supplemental compensation from income earned by the University from various contracts for radio, television and/or media rights and for athletics shoe and/or apparel manufacturers ("Supplemental Compensation"). The University shall pay the Supplemental Compensation to Mr. Hamilton in equal monthly installments. In consideration of this Supplemental Compensation, Mr. Hamilton agrees to perform various radio, television and/or media services on behalf of the University, and Mr. Hamilton also agrees to perform endorsement and/or consultation services as may be required of him under the University's contracts with athletics shoe and/or apparel manufacturers. This Supplemental Compensation shall be payable to Mr. Hamilton so long as the University continues to earn income from such contracts in amounts sufficient and appropriate to justify this Supplemental Compensation, as determined in the sole discretion of the President of the University.

IV

The University, as additional payment and consideration for the services to be performed by Mr. Hamilton as set forth herein, agrees to pay Mr. Hamilton one or more Sports Team Performance Bonus(es) as set forth on Schedule A attached hereto, one or more Academic Performance Bonus(es) as set forth on Schedule B attached hereto, and a Discretionary Bonus as set forth on Schedule C attached hereto; provided, however, that the combined total of the Sports Team Performance Bonus(es), the Academic Performance Bonus(es) and the Discretionary Bonus shall not exceed \$250,000.00 in any fiscal/contract year of this Agreement.

V

On or about July 1, 2009, the University shall make a lump sum payment of \$125,000.00 to Mr. Hamilton, in addition to the other payments set forth herein.

In the event Mr. Hamilton serves as Director of Men's Athletics pursuant to this Agreement through and until June 30, 2014, the University shall make a lump sum payment of \$300,000.00 ("Retention Bonus") to Mr. Hamilton, in addition to the other payments set forth herein. If Mr. Hamilton ceases active service as the Director of Men's Athletics for any reason, voluntary or involuntary, prior to June 30, 2014, Mr. Hamilton shall forfeit the Retention Bonus in its entirety.

VI

The University, as additional payment and consideration for the services to be performed by Mr. Hamilton, as set forth herein, agrees to pay and/or provide Mr.

Hamilton with the fringe benefits and/or other payments as set forth on Schedule D attached hereto.

VII

Mr. Hamilton understands and agrees that federal and state law limits the compensation on which the University may make retirement contributions. The University agrees to make the maximum annual amount of retirement contributions allowed by federal and state law for Mr. Hamilton. Retirement contributions shall be made by the University in accordance with its normal business practice.

VIII

Mr. Hamilton shall not, by any statements or appearances on television, on radio, in newspapers, or in magazines or other published media or any promotional material, personally or officially endorse, promote, or advertise for commercial purposes any product, merchandise, or service unless prior written approval has been granted by the President of the University. This requirement of annual prior written approval also applies to any use, directly or by implication, of the University's name or logo in the endorsement of commercial products or services for personal gain.

IX

Mr. Hamilton shall not accept, prior to receiving approval in writing by the President of the University, compensation or gratuities, excluding University administered funds, from an athletics shoe, apparel or equipment manufacturer in exchange for the use of such merchandise during practice or competition by the University's student-athletes.

X

Mr. Hamilton understands and agrees that he must receive the annual prior written approval of the President of the University for all athletically related income and benefits from sources outside The University of Tennessee. Sources of such income and benefits shall include, but are not limited to, income under promotion and public relations agreements; income from annuities; sports camps; housing benefits (including preferential housing arrangements); country club memberships; complimentary ticket sales; television and radio programs; and endorsement or sponsorship contracts with athletics shoe, apparel, or equipment manufacturers.

Mr. Hamilton shall submit a written report and request for approval of all athletically related income and benefits from sources outside the University to the President, on or before May 1 of each year. Mr. Hamilton shall update the report promptly to reflect any changes, and in no event less frequently than annually. Opportunities for athletically related income and benefits occurring after the annual report must be submitted for prior written approval as they occur, and if continuing, be included in the next annual report and request for approval.

XI

Mr. Hamilton may serve on corporate boards of directors or enter into personal service contracts for motivational talks and films for employees of other entities, provided such promotions and services do not interfere with his duties at the University, such services are not used for commercial purposes, and University facilities and resources are not used. The University further agrees that Mr. Hamilton may write for publication and speak before public gatherings, provided said writings and speeches are made in the same professional way and manner expected of any member of the faculty or administrative staff of the University. The University expressly agrees that any compensation received for such speeches and writings by Mr. Hamilton in the form of honoraria, royalties, and the like may be retained by him in addition to compensation set-forth hereinafter; provided, however, that in accordance with University travel regulations, Mr. Hamilton may retain an honorarium only if the University does not pay related travel expenses. If the University pays related travel expenses, Mr. Hamilton must remit the honorarium in full to the University. To the extent that any outside activity authorized by this Article XI results in athletically related income or benefit to Mr. Hamilton, it shall be subject to the prior written approval of the President of the University in accordance the reporting procedure provided in Article X of this Agreement.

Mr. Hamilton understands and agrees that the University has no responsibility or liability for any claim arising out his performance of the activities described in this Article XI or for any other activity outside the scope of his University employment.

XII

Mr. Hamilton understands and agrees that the University, as a member of the National Collegiate Athletic Association (NCAA), is required to apply and enforce NCAA regulations with respect to all institutional staff members through appropriate disciplinary or corrective action and is further required to include the following provision in this Agreement. If Mr. Hamilton is found by the NCAA Infractions Committee or, if appealed, the NCAA Infractions Appeals Committee in violation of NCAA regulation(s), he shall be subject to disciplinary or corrective action by the University as set forth in the provisions of the NCAA enforcement procedures, including suspension without pay or termination of employment for significant or repetitive violation(s).

XIII

A. The term of this Agreement shall be from July 1, 2009 through June 30, 2014.

B. This Agreement shall terminate automatically upon the death of Mr. Hamilton, and all salary, compensation, benefits, and perquisites shall terminate as of the calendar month in which death occurs, except that Mr. Hamilton's personal representatives or other designated beneficiary shall be paid any death benefits due Mr. Hamilton under University policy now in effect or hereafter adopted by the University.

This Agreement shall also terminate automatically upon the date Mr. Hamilton becomes disabled (as defined herein). "Disabled" shall mean physical or mental incapacity of a nature that prevents Mr. Hamilton, in the sole judgment of the University, from performing his duties under this Agreement for a period of one hundred twenty (120) consecutive calendar days. If this Agreement is terminated because Mr. Hamilton

becomes disabled, all salary, compensation, benefits, and perquisites shall terminate, except that Mr. Hamilton shall receive any disability benefits to which he is entitled under any disability program in which he is enrolled or under the University's retirement plan.

C. Mr. Hamilton understands and agrees that the University may allow this Agreement to expire and elect not to renew his appointment as Director of Men's Athletics without complying with any University personnel policy or procedure applicable to staff-exempt employees who do not serve under a contract of employment with a definite term of years.

D. In its sole discretion and at any time during the term of this Agreement, the University may elect to terminate this Agreement and buy out any remaining years of the Agreement. The University shall not be required to demonstrate cause for a buy-out. Under a buy-out, the University's liability shall be limited to the Base Salary stated in Article II and the Supplemental Compensation in Article III times the number of years remaining in the Agreement (prorated by days remaining in a 365 day fiscal/contract year for any partial year), the total of which will be paid to Mr. Hamilton in thirty-six (36) equal monthly installments commencing thirty (30) days after the date of termination. In no event shall the University's liability include payment of fringe benefits, the amounts payable under Articles IV, V, VI, or any other athletically related income or benefits derived by virtue of Mr. Hamilton's position as Director of Men's Athletics. If the University terminates this Agreement pursuant to the terms of this Article XIII(D), the buy-out payments made to Mr. Hamilton shall not be subject to mitigation and shall not

terminate or be reduced should Mr. Hamilton obtain other employment. Mr. Hamilton shall not be obligated to obtain other employment. Mr. Hamilton understands and agrees that the University's decision to terminate this Agreement and buy out any remaining years of the Agreement is not subject to any University policy or procedure requiring progressive discipline.

E. Mr. Hamilton understands and agrees that the University may terminate this Agreement at any time for adequate cause, subject to compliance with any applicable statutory or constitutional requirement of a due process. Cause shall include (i) inability due to a physical or mental impairment to perform an essential function of the position of Director of Men's Athletics, but only if Mr. Hamilton previously received reasonable written notice and continued with the inability to perform; (ii) violations of Articles VIII, IX, X, and/or XI of this Agreement, but only if Mr. Hamilton previously received written notice that certain conduct was in violation of such Article(s) and continued with such violation(s); (iii) as provided in Article XII, a finding by the NCAA Infractions Committee or, if appealed, the NCAA Infractions Appeals Committee that Mr. Hamilton is guilty of significant or repetitive violation(s) of NCAA regulation(s); (iv) acts constituting a prohibited conflict of interests under applicable University policy or state law; (v) violation of University policies against discrimination and harassment, but only if Mr. Hamilton previously received written notice of a violation and failed to take appropriate corrective action; and (vi) acts of gross misconduct, as defined by University personnel policy now in effect or hereafter adopted by the University. "Gross misconduct" is currently defined by University personnel policy to include the following: theft or

dishonesty; gross insubordination; willful destruction of University property; falsification of records; acts of moral turpitude; reporting for duty under the influence of intoxicants; illegal use, manufacture, possession, distribution, or dispensing of controlled substances or alcohol; disorderly conduct; provoking a fight; and other similar acts involving intolerable behavior by the employee.

Upon termination of this Agreement for cause, Mr. Hamilton shall not be entitled to further salary, compensation, benefits, or perquisites from the University.

XIV

A. Mr. Hamilton grants the University the right during the term of this Agreement to use, and the right to grant to others use of, his name, nickname, initials, autograph, facsimile signature, voice, video or film portrayals, photographs, likeness, image, or facsimile image in any manner in connection with any reasonable radio and television services or endorsement or consultation contracts the University enters into for the University's endorsement or Mr. Hamilton's endorsement.

B. Mr. Hamilton covenants and agrees that the University retains, owns, and controls all intellectual property and media rights relating to the University's Men's Athletics Department, including but not limited to all television, radio, internet, and any other form of written or electronic media now known or developed in the future related to the University's Men's Athletics Department, whether produced by the University or through a third-party. Mr. Hamilton further covenants and agrees that the University shall have the exclusive right to designate the media rights and intellectual property holder for all forms of media created during the term of this Agreement.

C. Mr. Hamilton covenants and agrees that, upon termination of this Agreement, the University shall have the right to continue through completion any contracts, endorsement agreements, sponsorship agreements, or similar arrangements that were entered into during the term of this Agreement and which contain Mr. Hamilton's name, likeness, image, voice, biographical information, or endorsement. Mr. Hamilton shall have no further right to any compensation for any such continued use by the University unless expressly provided in this Agreement.

D. Mr. Hamilton covenants and agrees that, upon termination of this Agreement, the University shall have the right, but not the obligation, to continue to use, and to authorize, license, or grant any sponsor, manufacturer, media rights company, or vendor the right to use, any intellectual property or media rights relating to the University's Athletics Department, or Mr. Hamilton's employment that were created or produced during the term of this Agreement, notwithstanding the fact that such intellectual property or media rights may contain Mr. Hamilton's name, likeness, image, voice, biographical information, or endorsement. Mr. Hamilton shall have no further right to any compensation for any such continued use by the University unless expressly provided in this Agreement.

E. Except as otherwise provided in this Agreement, Mr. Hamilton shall retain all rights in and to his name and endorsement. Upon termination of this Agreement, the University shall have no further right to the continued or future use Mr. Hamilton's name or endorsement, except as provided in this Article.

XV

A. This Agreement contains the complete agreement between the parties concerning Mr. Hamilton's appointment as Director of Men's Athletics. Neither party has made any representation with respect to the subject matter of this Agreement not specifically included in this Agreement, nor has either party relied on any such representation in entering into this Agreement.

B. This Agreement may only be modified by a writing signed by both parties.

C. The invalidity of any portion of this Agreement shall not and shall not be deemed to affect the validity of any other provision. In the event any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

D. This Agreement shall be interpreted in accordance with Tennessee law.

E. The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as subsequently waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no forbearance or waiver had occurred.

F. This Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original constituting but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown below.

THE UNIVERSITY OF TENNESSEE

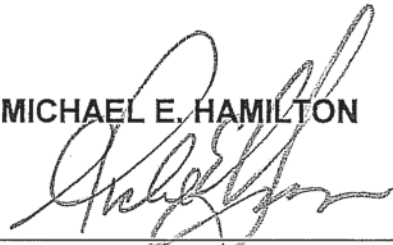


President

7/10/09

Date

MICHAEL E. HAMILTON



Michael E. Hamilton

7/10/09

Date

Schedule A

SPORTS TEAM PERFORMANCE BONUS

The University, as additional payment and consideration for the services to be performed by Mr. Hamilton, as set forth in the Agreement, agrees to pay Mr. Hamilton one or more Sports Team Performance Bonus(es) as follows:

- FOOTBALL** 4% of base pay for non BCS Bowl
8% of base pay for SEC Division Championship
12% of base pay for SEC Championship or BCS Bowl
14% of base pay for National Championship Bowl
16% of base pay for National Championship
- BASKETBALL** 4% of base pay for NIT selection
8% of base pay for NCAA tournament selection or NIT Final Four
12% of base pay for SEC Championship or NCAA Sweet 16
14% of base pay for Final Four
16% of base pay for NCAA Championship
- OTHER SPORTS** 2% of base pay for top 24/NCAA selection
4% of base pay for top 16/NCAA advancement
6% of base pay for top 8
8% of base pay for SEC Championship or NCAA Top 4
12% of base pay for NCAA Championship

Note: Only 1 bonus in each sport for highest accomplishment.

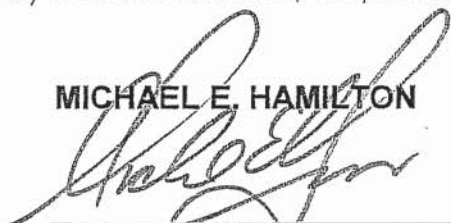
Mr. Hamilton acknowledges that the total of bonuses to be paid as Sport Team Performance Bonuses (Article IV, Schedule A) shall not exceed \$100,000.00 in any fiscal/contract year.

THE UNIVERSITY OF TENNESSEE

MICHAEL E. HAMILTON



President



Michael E. Hamilton

7/10/09

Date

7/8/09

Date

Schedule B

ACADEMIC PERFORMANCE BONUS

The University, as additional payment and consideration for the services to be performed by Mr. Hamilton, as set forth in the Agreement, agrees to pay Mr. Hamilton an Academic Performance Bonus, as follows:

1. On or before May 30 of each contract year, the President and Mr. Hamilton shall meet to review, among other things, Mr. Hamilton's performance pursuant to the terms of the Agreement and whether Mr. Hamilton is entitled to an Academic Performance Bonus (and, if so, in what amount).
2. The Academic Performance Bonus shall be determined as follows:
 - a. Increase in the combined average GPA of male student athletes each academic year over the previous academic year: for each 1/10 point improvement, a bonus of \$2,500 will be awarded up to a maximum of \$10,000 (e.g., an increase from 2.8 to 2.9 would yield a \$2,500 bonus).
 - b. Increase in the combined average GPA of African-American male student athletes each academic year over the previous academic year: for each 1/10 point improvement, a bonus of \$2,500 will be awarded up to a maximum of \$10,000 (e.g., an increase from 2.8 to 2.9 would yield a \$2,500 bonus).
 - c. Increase in the graduation success rate of male student athletes as reported by the NCAA: for each 1 percentage point improvement, a bonus of \$2,500 will be awarded up to a maximum of \$10,000 (e.g., an increase from 54% to 55% would yield a \$2,500 bonus). The graduation success rate reported by the NCAA will be adjusted for students who leave the University before graduation to play professional sports and for other extraordinary reasons such as illness not related to sports and transfers not related to academic performance.
 - d. For each male student athlete who achieves Academic All American status, a bonus of \$500 will be awarded up to a maximum of \$10,000.
 - e. For every football player who achieves a GPA of 3.0 or higher, a bonus of \$500 will be awarded up to a maximum of \$10,000.

- f. For each men's sports team with an APR exceeding 925, a bonus of \$2,500 will be awarded.
 - g. For extraordinary achievement(s) in the above categories, and/or for other achievement(s) in the area of academic performance by male student athletes, the President may in his sole discretion award such additional bonus as he may deem appropriate.
 - h. When the graduation rate has improved above the midpoint for Division I schools (as reported by the NCAA), the goal will be reset to recognize retention and further improvement.
3. Mr. Hamilton acknowledges that the total of bonuses to be paid as an Academic Performance Bonus (Article IV, Schedule B) shall not exceed \$100,000.00 in any fiscal/contract year.

THE UNIVERSITY OF TENNESSEE



President

7-10-09

Date

MICHAEL E. HAMILTON



Michael E. Hamilton

7/10/09

Date

Schedule C

DISCRETIONARY BONUS

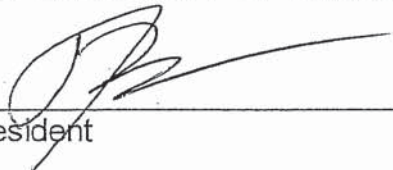
The University, as additional payment and consideration for the services to be performed by Mr. Hamilton, as set forth in the Agreement, may pay Mr. Hamilton a Discretionary Bonus, as follows:

1. On or before May 30 of each contract year, the President and Mr. Hamilton shall meet to review, among other things, Mr. Hamilton's performance pursuant to the terms of the Agreement and whether Mr. Hamilton is entitled to a Discretionary Bonus (and, if so, in what amount).

2. The President may, at the President's sole discretion, award Mr. Hamilton a Discretionary Bonus for superior administrative performance as Director of Men's Athletics for the University of Tennessee, Knoxville. Factors that the President may consider in determining the award of any such Discretionary Bonus include, but are not limited to, GPA, GSR and APR for male student athletes; University and community involvement by student athletes; Men's Athletic Department facilities improvements; Men's Athletic Department financial performance; alumni, student, University, community and fan support for men's intercollegiate athletics; coordination of activities and efforts with Women's Athletic Department; representation of University Men's Athletic Department at SEC and NCAA events and meetings; overall commitment to student athlete welfare; rules and regulatory compliance; and the like.

3. Mr. Hamilton acknowledges that the total bonus to be paid as a Discretionary Bonus (Article IV, Schedule c) shall not exceed \$50,000.00 in any fiscal/contract year and further acknowledges that the total of Sports Team Performance Bonus, Academic Performance Bonus, and Discretionary Bonus shall not exceed \$250,000.00 in any fiscal/contract year.

THE UNIVERSITY OF TENNESSEE



President

7/10/09

Date

MICHAEL E. HAMILTON



Michael E. Hamilton

7/10/09

Date

Schedule D

FRINGE AND OTHER BENEFITS

The University, as additional payment and consideration for the services to be performed by Mr. Hamilton, as set forth in the Agreement, agrees to pay and/or provide Mr. Hamilton with the following fringe benefits and/or other payments:

1. Payment and/or reimbursement of reasonable and necessary expenses incurred in connection with the performance of his duties, including but not limited to travel, entertainment and the like, subject to the terms and limits of applicable University policies.
2. Payment and/or reimbursement of reasonable and necessary travel expenses for Mr. Hamilton's spouse, when it is appropriate that she accompany him while in the performance of his official duties, subject to the terms and limits of applicable University policies.
3. A payment of \$35,000.00 annually as a non-accountable expense allowance/reimbursement for other expenses incurred by Mr. Hamilton for which the University does not reimburse.
4. Mr. Hamilton shall be included in the University's Athletic Play/Practice Insurance Coverage. Mr. Hamilton acknowledges that this insurance coverage is subject to an annual bid process and that the type and amount of coverage for all participants may change from year to year.
5. Additionally, Mr. Hamilton shall be provided, at University's expense, a \$1,000,000.00 term life insurance policy, the beneficiaries of which shall be (a) the University's Men's Athletics Department (in an amount equal to 50% of the death benefit), and (b) such beneficiaries as may be designated by Mr. Hamilton (in an amount equal to 50% of the death benefit).
6. To the extent that the University maintains a "courtesy car" program, Mr. Hamilton shall be provided with two automobiles pursuant to the terms of any such "courtesy car" program.
7. The University shall pay for and/or provide Mr. Hamilton with the following athletic event tickets:
 - a. For football, one Neyland Stadium skybox, including the 16 admission tickets required in connection therewith;
 - b. Six additional football season tickets;

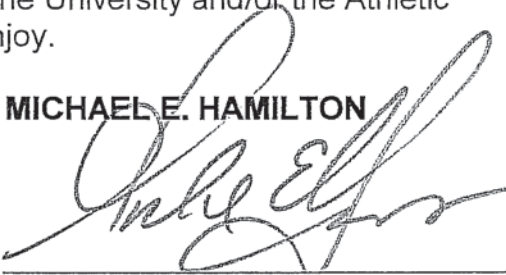
- c. Eight men's basketball season tickets;
 - d. For women's basketball, eight season tickets;
 - e. Eight baseball season tickets;
 - f. Up to six away game tickets for each of football and men's basketball;
 - g. Up to 12 post-season tickets for football and men's basketball;
 - h. For post-season football and/or men's basketball play, one hotel room suite plus two additional regular hotel rooms.
8. The University shall pay for and/or provide such other fringe benefits as other full-time, staff exempt employees of the University and/or the Athletic Department may from time to time enjoy.

THE UNIVERSITY OF TENNESSEE

MICHAEL E. HAMILTON



President



Michael E. Hamilton

7/10/09

Date

7/8/09

Date