



Tom Herman
4104 Shadow Oak Lane
Austin, TX 78746

Re: Letter of Offer and Memorandum of Understanding Regarding
Head Football Coach – Florida Atlantic University

Dear Coach Herman:

I am pleased to offer you the position of Head Football Coach for Florida Atlantic University. In the interests of time, I am providing you this Memorandum of Understanding to present the material terms of this offer. These and other terms will be incorporated into a superseding formal employment contract with Florida Atlantic University for execution by you at the earliest possible date. By signing below, you agree to accept the position at this time on the terms and conditions described herein.

Your compensation as Head Football Coach will be the following:

- Year 1: Guaranteed annual base salary of \$700,000.
- Year 2: Guaranteed annual base salary of \$1,000,000.
- Year 3: Guaranteed annual base salary of \$1,250,000.
- Year 4: Guaranteed annual base salary of \$1,350,000.
- Year 5: Guaranteed annual base salary of \$1,500,000.
- Guaranteed staff salary pool of \$2,500,000.
- Operating budget of \$3,100,000 and an equipment room budget of \$507,000 (including promo).
- Performance incentive compensation for the program achieving agreed upon athletic performance goals in such categories as winning a conference championship, receiving a bowl or CFP invitation, and earning certain national final rankings. To earn any performance incentive compensation in this or the following sections, you must be Head Coach of the program at the time the program achieves the goal, and you must remain Head Coach through the following March 30th. The incentive amounts below are not cumulative; you will be paid the highest amount associated with the program achieving any of the following:
 - Conference Championship - \$20,000 (appearance), or \$40,000 (win)
 - Bowl Game - \$30,000 (appearance in any bowl game); or \$100,000 (appearance in a CFP New Years Six bowl game); or \$250,000 (appearance in a CFP Semi-final bowl game); or \$350,000 (appearance in the CFP National Championship game); or \$500,000 (win CFP National Championship)
 - Top Ten Final Finish - \$100,000; or Top Twenty-Five Final Finish - \$50,000
- Performance incentive compensation for the program achieving agreed upon academic performance goals in such categories as APR rates and team GPA.
- Performance incentive compensation for you personally being named Conference Coach of the Year - \$15,000, or National Coach of the Year - \$50,000.
- Provision of a business vehicle or reasonable car allowance, complimentary tickets to FAU football games and other athletic contests, sponsored retail apparel and gear, and a cell phone.
- Reimbursement for your reasonable and documented household moving expenses in accordance with University policy and state law.

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- Eligibility to conduct coaching camps for supplemental income.
- Full standard benefits on the same terms as provided by the University to FAU Administrative Management and Professional (AMP) employees, subject to the same University regulations, policies and payroll practices applicable to AMP employees, with contributions and benefit amounts based upon the base salary where relevant.
- Final employment is contingent upon appropriate results from a University background check and completion of an I-9 employment eligibility form.

Among other terms, your employment agreement includes the following:

- The term of your appointment as Head Coach is five years and one month, beginning December 1, 2022, and concluding December 31, 2027.
- You shall be prohibited from receiving benefits or compensation other than as described above from any other source, or engaging in any other outside activity, without prior written consent from the FAU Athletics Director.
- You shall warrant and represent that you have fully disclosed to the Athletics Director 1) any and all past or ongoing investigations of, or legal or administrative proceedings related to, any misconduct or alleged violation of law or NCAA rule in which you have been involved directly or indirectly as a party, a witness, or in some other capacity; 2) any lawsuits or legal proceedings of any nature filed or brought against you in your official or personal capacity arising out of any of your prior employment relationships; and 3) any and all past or pending criminal charges against you regardless of disposition.
- If you and/or the football program are found by the University to have committed a major violation of NCAA or applicable conference rules and regulations, whether while employed by the University or during prior employment at another NCAA member institution, you shall be subject to disciplinary or corrective action as set forth in the NCAA enforcement procedure, up to and including termination of employment for cause.
- If you terminate the contract, or if the University terminates the contract for cause, the University shall not be liable for any payments or benefits after the date of termination. Cause shall be defined in the formal employment contract to include: (i) any act or omission that amounts to neglect of, failure to perform, or refusal to perform your enumerated duties as Head Football Coach; (ii) grave dishonesty, insubordination, conduct, or derogatory comments that adversely affect the University, the Program, or the University's Athletics Department, including reputational injuries; (iii) material breach of any University regulation or policy or any term of the formal employment contract; (iv) any reckless or knowing act or omission that is illegal (except for minor traffic offenses), fraudulent or involves moral turpitude.
- If the University terminates your appointment as Head Football Coach without cause, the University may, at its sole and absolute discretion, reassign you to another position within the University for which you are qualified. In the event of such reassignment, you will continue to report to the Athletics Director and your annual compensation will be your base pay at the time of the reassignment for the remainder of the term of the contract or until you terminate employment with the University, whichever first occurs. If you choose to separate from the University after a reassignment, you will be paid a lump sum severance amount equal to the lesser of twenty (20) weeks of your annual salary or the remainder of the term of the contract.

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- You agree not to seek or apply for other positions without prior notice. If you accept another position while you are employed as Head Football Coach or otherwise terminate your employment without good cause, you will be required to pay Florida Atlantic University a liquidated damages buyout of (i) \$2,500,000.00, if terminated on or before December 31, 2025; (ii) \$1,000,000.00, if terminated on or before December 31, 2026; or (iii) \$500,000.00, if terminated between January 1, 2027 and December 31, 2027.

This Memorandum of Understanding shall not be binding and effective until signed by both parties. Your signature below indicates your acceptance of the position under the terms set forth in this Memorandum of Understanding. We will then make every reasonable effort to promptly finalize and enter into a formal employment contract that will supersede and incorporate and expand upon the terms of this Memorandum of Understanding. However, you agree to accept and be governed by the terms of this Memorandum of Understanding as a binding contract until such time as a superseding formal employment contract is entered into by you and the University.

It is with great anticipation and enthusiasm that I offer you the position of Head Football Coach at Florida Atlantic University. I have every confidence that you will lead our football program with integrity and pride. Please indicate your acceptance of the terms of this offer by signing below.

Sincerely,

Brian White
Vice President and Director of Athletics
Florida Atlantic University

Accepted:

Tom Herman

Date:

11/30/22

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