

**SECOND ADDENDUM TO THE FEBRUARY 28, 2006
EMPLOYMENT AGREEMENT EXTENSION**

WHEREAS, RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY (hereinafter "RUTGERS"), and GREGORY EDWARD SCHIANO (hereinafter "COACH SCHIANO") signed an EMPLOYMENT AGREEMENT on December 7, 2000 (hereinafter "EMPLOYMENT AGREEMENT") under which COACH SCHIANO would be the Head Coach of Football at Rutgers' New Brunswick Campus (hereinafter "HEAD COACH"), which position COACH SCHIANO continues to hold; and

WHEREAS, RUTGERS and COACH SCHIANO signed a letter EXTENSION AGREEMENT dated January 17, 2003; and

WHEREAS, RUTGERS and COACH SCHIANO signed an EMPLOYMENT AGREEMENT EXTENSION on February 28, 2006 (hereinafter "February 28, 2006 EXTENSION"); and

WHEREAS, RUTGERS and COACH SCHIANO signed an ADDENDUM to the February 28, 2006 EXTENSION on February 16, 2007 (hereinafter "FIRST ADDENDUM TO EXTENSION"; the February 28, 2006 EXTENSION, as modified by the FIRST ADDENDUM TO EXTENSION, is referred to hereinafter as the "2007 AGREEMENT"); and

WHEREAS, RUTGERS and COACH SCHIANO have discussed and agreed upon mutually beneficial modifications to the 2007 AGREEMENT, and now desire to set forth such agreements in writing in this SECOND ADDENDUM to the February 28, 2006 EMPLOYMENT AGREEMENT EXTENSION (hereinafter "SECOND ADDENDUM TO EXTENSION"); and

WHEREAS, the SECOND ADDENDUM TO EXTENSION has been approved by the BOARD OF GOVERNORS OF RUTGERS.

NOW, THEREFORE, effective as of January 1, 2009 unless otherwise stated and in consideration of the mutual promises contained herein, RUTGERS and COACH SCHIANO agree as follows:

1. STATUS OF 2007 AGREEMENT

Except as modified herein, the terms of the 2007 AGREEMENT remain in full force and effect.

2. BASE SALARY

The following amounts are substituted for the amount of the annual base salary rate provided for in Paragraph 4 of the FIRST ADDENDUM TO EXTENSION:

1. Effective January 1, 2009 through December 31, 2009: \$250,000
2. Effective January 1, 2010 through December 31, 2010: \$255,000
3. Effective January 1, 2011 through December 31, 2011: \$265,000
4. Effective January 1, 2012 through December 31, 2012: \$275,000
5. Effective January 1, 2013 through December 31, 2013: \$285,000
6. Effective January 1, 2014 through December 31, 2014: \$295,000
7. Effective January 1, 2015 through December 31, 2015: \$305,000
8. Effective January 1, 2016 through December 31, 2016: \$315,000

3. GUARANTEED ANNUAL ADDITIONAL COMPENSATION

The following amounts are substituted for the amount of guaranteed additional compensation provided for in Paragraph 5.A. of the FIRST ADDENDUM TO EXTENSION:

1. Effective January 1, 2009 through December 31, 2009: \$750,000
2. Effective January 1, 2010 through December 31, 2010: \$745,000
3. Effective January 1, 2011 through December 31, 2011: \$785,000
4. Effective January 1, 2012 through December 31, 2012: \$775,000
5. Effective January 1, 2013 through December 31, 2013: \$865,000
6. Effective January 1, 2014 through December 31, 2014: \$855,000
7. Effective January 1, 2015 through December 31, 2015: \$895,000
8. Effective January 1, 2016 through December 31, 2016: \$885,000.

4. FOOTBALL SUPPLEMENT PAYMENTS

Beginning with the July 1, 2009 payment, the following amounts are substituted for the amount of football supplement payments as provided for in subparagraphs 1 through 5 of Paragraph 5.C. of the FIRST ADDENDUM TO EXTENSION:

1. July 1, 2009: \$230,000

2. July 1, 2010: \$360,000
3. July 1, 2011: \$305,000
4. July 1, 2012: \$300,000
5. July 1, 2013: \$195,000
6. July 1, 2014: \$190,000
7. July 1, 2015: \$135,000
8. July 1, 2016: \$130,000

5. **BENEFITS**

Paragraph 5 of the February 28, 2006 Extension captioned "BENEFITS" is restated in its entirety to read as follows:

5. **BENEFITS**

A. **STANDARD BENEFITS**

COACH SCHIANO shall receive all benefits accorded full-time managerial/professional/supervisory/confidential ("MPSC") employees at RUTGERS based upon his base salary. By way of example only, these benefits include health insurance, life insurance, disability insurance, pension program, sick leave, vacation leave and tuition remission. COACH SCHIANO understands that some of the benefits accorded RUTGERS employees are furnished by the State of New Jersey and are subject to State legislation, rules and regulations. With respect to benefits furnished by the State of New Jersey and to those furnished by RUTGERS, COACH SCHIANO understands and agrees that these benefits may change from time to time and that he is subject to all changes applicable to other MPSC employees.

B. **ADDITIONAL RETIREMENT BENEFITS**

1. In addition to the standard fringe benefits provided pursuant to Section 5.A. above, COACH SCHIANO will participate in the Rutgers University Supplemental Pension Plan and Trust ("Pension Plan"), the Rutgers University Supplemental Defined Contribution Retirement Plan and Trust ("Retirement Plan") and the Rutgers University Code Section 415(m) Defined Contribution Excess Benefit Arrangement, which is part of the Retirement Plan ("Excess Benefit Arrangement"). The Pension Plan is a defined benefit plan and the Retirement Plan is a defined contribution plan, both of which are intended to satisfy the requirements under Section 401(a) of the Internal Revenue Code of 1986, as amended ("Code"). The Excess Benefit Arrangement is intended to constitute a

qualified governmental excess benefit arrangement as described in Section 415(m) of the Code.

2. Subject to and in accordance with the terms of the Pension Plan, Retirement Plan and Excess Benefit Arrangement (referred to together as the "Plans"), RUTGERS agrees to make contributions to the Plans to fund the cost of benefits and contributions accrued by COACH SCHIANO for each plan year; provided, always, that RUTGERS' contributions shall not exceed the following amounts:

- a. \$135,000 for the Plans' year ending June 30, 2009;
- b. \$135,000 for the Plans' year ending June 30, 2010;
- c. \$140,000 for the Plans' year ending June 30, 2011;
- d. \$145,000 for the Plans' year ending June 30, 2012;
- e. \$150,000 for the Plans' year ending June 30, 2013;
- f. \$155,000 for the Plans' year ending June 30, 2014;
- g. \$160,000 for the Plans' year ending June 30, 2015;
- h. \$165,000 for the Plans' year ending June 30, 2016; and
- i. \$170,000 for the Plans' year ending June 30, 2017.

Unless RUTGERS otherwise agrees in writing, all administrative expenses arising out of the maintenance and operation of the Plans shall be paid from the applicable trust fund to the extent allowed by law.

3. COACH SCHIANO shall at all times have a fully (100%) vested interest in his accrued benefits and contributions (including any earnings thereon) under the Plans, and no distribution shall be made to or on behalf of COACH SCHIANO until the termination of his employment with RUTGERS, whether due to retirement, disability, death, or any other reason. Except as necessary to comply with changes in federal tax law or other laws applicable to the Plans, RUTGERS agrees not to amend any of the Plans in a manner that would reduce the benefits or contributions to be accrued in future plan years.

4. It is intended that the Pension Plan and the Retirement Plan shall at all times meet the requirements of qualified retirement plans for purposes of Section 401(a) of the Code, and that the Excess Benefit Arrangement shall constitute an unfunded, nonqualified plan that meets

the requirements of Section 415(m) of the Code, such that COACH SCHIANO (or the designated beneficiary(ies) of his benefits) shall not incur any income tax liability until actual receipt of Plan benefits. COACH SCHIANO acknowledges, however, that RUTGERS has made no representations or guaranties whatsoever regarding the tax consequences to COACH SCHIANO arising from his participation in the Plans, RUTGERS' contributions to the Plans, or payment of benefits to COACH SCHIANO (or his designated beneficiary(ies)) under the terms of the Plans. COACH SCHIANO further acknowledges that he has reviewed the provisions of this Section 5.B., as well as the Plans, with his legal, tax and financial advisors, and understands that all rights to the payment of benefits are determined solely upon the terms of the Plans.

5. In order to minimize the efforts required by RUTGERS' in connection with implementation and operation of the Plans, it is understood that COACH SCHIANO, or his legal, tax and financial advisors, will assist and cooperate with RUTGERS as and when requested in connection with identifying suitable trustee(s), investment advisor(s), investment option(s), and actuary(ies)/administrator(s) for the Plans, as applicable, and to complete such forms and provide such information as may be requested by RUTGERS to ensure the proper administration and operation of the Plans.

6. Indemnification.

(i) Pension Plan Underfunding. In the event that the Pension Plan does not have sufficient assets to pay the present value of COACH SCHIANO'S vested accrued benefit as of the date that COACH SCHIANO is entitled to receive a distribution of his benefits ("funding deficiency"), COACH SCHIANO agrees to indemnify and hold harmless RUTGERS, its employees, governing bodies, governors, trustees, and agents from any liability, claims, or damages arising out of such funding deficiency, including the amount of any contribution that RUTGERS is required to make to the Pension Plan in order to cure the funding deficiency to the extent that such additional contribution exceeds the amount of RUTGERS' contractual obligation under paragraph 5.B.2. above, excluding any liability, claims, or damages resulting from RUTGERS' gross negligence or willful misconduct.

(ii) Retirement Plan, Excess Benefit Arrangement Directed Investments. To the extent that a trustee invests Retirement Plan and/or Excess Benefit Arrangement account balances at the direction of COACH SCHIANO (or an investment advisor that he designates in accordance with the terms thereof), COACH SCHIANO agrees to indemnify and hold harmless

RUTGERS, its employees, governing bodies, governors, trustees and agents from any liability, claims or damages arising from the investment performance resulting from such directions, excluding any liability, claims or damages resulting from RUTGERS' gross negligence or willful misconduct.

(iii) The parties acknowledge and agree that these indemnification obligations arise solely from this SECOND ADDENDUM TO EXTENSION and are separate and apart from any fiduciary obligation imposed upon RUTGERS as the sponsor of the Plans.

7. In the event of a change in law or other circumstances beyond the control of RUTGERS rendering it impracticable or inadvisable to sponsor and maintain the Plans, or for COACH SCHIANO to participate in the Plans as contemplated above, then RUTGERS will not be obligated to continue to maintain the plans, or COACH SCHIANO's participation may be suspended or terminated, as appropriate after written notice to COACH SCHIANO, in which case the parties will amend this Section 5.B. to provide for an alternative compensation arrangement satisfactory to COACH SCHIANO and to RUTGERS, provided that RUTGERS' annual financial commitment under this Section 5.B will not be greater or less than the amounts specified in paragraph 5.B.2. thereof.

8. The parties acknowledge that COACH SCHIANO's participation in the Plans and RUTGERS' obligation to make contributions to the Plans, as described in paragraph 5.B.2. above, reflect arm's length negotiations, a process throughout which COACH SCHIANO has been advised by his legal, tax and financial advisors, concerning COACH SCHIANO'S continued employment by RUTGERS in accordance with the terms of this SECOND ADDENDUM TO EXTENSION.

6. MARKETING PAYMENTS

The following new paragraph 5. F. is hereby added to the FIRST ADDENDUM TO EXTENSION:

F. MARKETING AND ENDORSEMENT PAYMENTS

Effective January 1, 2009, RUTGERS will pay COACH SCHIANO the annual amount of \$250,000 in exchange for COACH SCHIANO's personal participation in the promotion, endorsement, and marketing of RUTGERS, RUTGERS' athletic department, and RUTGERS' football team. These annual payments shall be paid on or before July 1 of each year, with the first of such payments being made on or before July 1, 2009. Further, this annual payment shall be deemed earned on January 1 of each year, commencing on January 1,

2009, such that in the event this Agreement is terminated for any reason after January 1 of a particular year, the entire payment for that year shall be due and payable on or before July 1 of that year. COACH SCHIANO's personal participation in such endeavors shall consist of the following activities:

1. COACH SCHIANO agrees to appear and participate as the principal talent for each weekly Coach's Show related to RUTGERS' football team and approved by RUTGERS, including, without limitation, performance on such Coach's Show (whether live or recorded and in all retakes), participation in production conferences, and personal appearances promoting such Coach's Show; provided, however, that there shall not be more than fifteen (15) weekly television episodes and fifteen (15) weekly radio episodes of such Coach's Show per football season (*i.e.*, from the date of the first official RUTGERS football team practice in a season through the last game of the season, including any post-season or bowl games); COACH SCHIANO shall not be required to spend more than one (1) hour per week with respect to such Coach's Shows; and such duties shall be scheduled so as not to conflict with COACH SCHIANO's direct duties as HEAD COACH of the RUTGERS football team. RUTGERS shall be responsible for negotiating and organizing for such Coach's Show programming;
2. COACH SCHIANO agrees to refrain from participation in any other radio programs and/or television shows competitive with such Coach's Shows, as the principal talent for such programs or shows; provided, however, that COACH SCHIANO is permitted to participate in news interviews by other broadcasters;
3. COACH SCHIANO shall make up to three (3) personal appearances for such sponsorship functions that RUTGERS may reasonably request from time to time, at RUTGERS' sole cost and expense; provided, however, that such appearances shall not occur during the football season; and
4. COACH SCHIANO grants to RUTGERS the rights to use, display, exhibit, and include his name, likeness, audio, and visual representations and biographical material (as applicable) in and for all of RUTGERS' productions and programs relating to RUTGERS, RUTGERS' athletic department, and/or RUTGERS' football team, including, without limitation, all broadcasts, publications, advertisements, promotional, sponsorship, and marketing activities relating to RUTGERS, RUTGERS' athletic department, and/or RUTGERS' football team. RUTGERS may assign the rights granted to it in this subparagraph (4) to any third

parties RUTGERS contracts with to produce programs on behalf of RUTGERS. COACH SCHIANO's name and likeness may not be used in any manner, whether for advertising or otherwise, in a way that violates NCAA, Big East Conference, or RUTGERS rules or regulations.

5. COACH SCHIANO, with RUTGERS' approval, agrees to and shall cause that certain Personal Services Agreement by and between COACH SCHIANO and NELLIGAN SPORTS MARKETING, INC. ("NELLIGAN") dated effective April 30, 2007, to be terminated as of December 31, 2008. Further, COACH SCHIANO acknowledges and agrees that the letter of July 2, 2007 from RUTGERS that guarantees the annual payment of marketing and endorsement fees by NELLIGAN shall become null and void as of December 31, 2008. In addition, RUTGERS shall direct NELLIGAN, in writing, to cease payment of all such fees for years beginning after 2008.

7. TERMINATION WITHOUT CAUSE

Paragraph 6 of the FIRST ADDENDUM TO EXTENSION captioned "TERMINATION WITHOUT CAUSE" is amended and restated to read as follows

A. RUTGERS reserves the right during the term of the FIRST ADDENDUM TO EXTENSION to relieve COACH SCHIANO from all responsibilities as HEAD COACH without invoking the COMPLIANCE PROVISIONS of the February 28, 2006 EXTENSION, as continued in the FIRST ADDENDUM TO EXTENSION. This shall constitute a termination without cause and the following shall apply. Except as provided in paragraph 6.B. below, COACH SCHIANO'S Base Salary, Guaranteed Additional Compensation, and Football Supplement Payments (each as modified by the SECOND ADDENDUM TO EXTENSION) will continue to be paid to COACH SCHIANO at their then current levels for the duration of the term of the FIRST ADDENDUM TO EXTENSION. In addition to the foregoing payments and in lieu of the additional retirement benefits that would otherwise have been accrued by COACH SCHIANO on each July 1 following the effective date of the termination without cause and through the duration of the term of the FIRST ADDENDUM TO EXTENSION, COACH SCHIANO shall receive the maximum amount that RUTGERS would have been required to contribute to the Plans as described in Paragraph 5. of the February 28, 2006 Extension, as amended by paragraph 5.B.2. of the SECOND ADDENDUM TO EXTENSION, for each Plan year commencing on and after that July 1 (to illustrate, in the case of a termination without cause effective June 30, 2014, COACH SCHIANO would be entitled to receive \$160,000 on July 1, 2014, \$165,000 on July 1, 2015, and \$170,000 on July 1, 2016). Other than the foregoing payments, no other item or amount will continue to be

paid to COACH SCHIANO for the duration of the term of the FIRST ADDENDUM TO EXTENSION following a termination without cause.

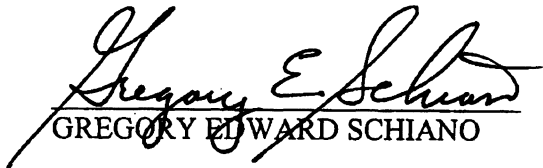
B. If COACH SCHIANO is relieved of his duties as HEAD COACH, there is no requirement that he obtain substitute employment. However, if he accepts other employment, the following shall apply:

1. Should COACH SCHIANO accept employment with a subsequent employer and should the total compensation he receives from said employer be less than the amount then being paid by RUTGERS to COACH SCHIANO pursuant to Section 6.A. above, then RUTGERS shall pay on a bi-weekly basis in accordance with its regular payroll practices the difference between (a) and (b), where (a) is COACH SCHIANO'S total compensation with his new employer and (b) is the amount then being paid by RUTGERS pursuant to Section 6.A. above (said difference hereinafter "salary differential"). RUTGERS shall continue to pay the salary differential for the duration of the term of the FIRST ADDENDUM TO EXTENSION. The salary differential that RUTGERS must pay pursuant to this Section shall be adjusted in case of changes in COACH SCHIANO'S total compensation with the subsequent employer. Accordingly, COACH SCHIANO shall be required to furnish RUTGERS with current information concerning his total compensation and any changes in total compensation. In the event COACH SCHIANO accepts subsequent employment as described herein, RUTGERS' liability to him shall be limited to paying the salary differential described herein. RUTGERS shall not be liable to COACH SCHIANO for any other item or amount.

2. RUTGERS shall not be liable for the salary differential described above if COACH SCHIANO has been relieved of his responsibilities as HEAD COACH following discipline, corrective action or termination as set forth in the COMPLIANCE PROVISIONS of the February 28, 2006 EXTENSION.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this SECOND
ADDENDUM TO THE FEBRUARY 28, 2006 EMPLOYMENT AGREEMENT
EXTENSION.


GREGORY EDWARD SCHIANO

DATE: 6/30/09
6/26/09
Patricia English
Gail Faber
WITNESS

RUTGERS, THE STATE
UNIVERSITY OF NEW JERSEY:

BY: Richard L. McCormick

TITLE: President

DATE: 6/26/09

WITNESS

Robert E. Mulcahy III
Director of Athletics

R

July 2, 2007

Greg Schiano
Head Coach, Football
Hale Center
Busch Campus

Dear Greg:

On February 16, 2007 an ADDENDUM to your February 28, 2006 EMPLOYMENT AGREEMENT EXTENSION was signed. You and I agreed on the following additional item.

During the term of the ADDENDUM, the following provision shall apply with respect to private transportation.

Coach Schiano is allowed usage of both jet and helicopter service as needed for University business to assist in performing his duties as head football coach as set forth in his employment agreement.

The budget for his use of jet/helicopter service will be customary, reasonable and mutually agreed upon by Coach Schiano and the Director of Intercollegiate Athletics. As we have discussed, it is expected that sponsorship will be secured to offset the cost for this service. If necessary, you will provide one, one-hour appearance at a mutually agreeable date, time, and location to secure this support.


Robert E. Mulcahy III
Director of Intercollegiate Athletics

Agreed:


Gregory Schiano Date

Robert E. Mulcahy III
Director of Athletics

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July 2, 2007

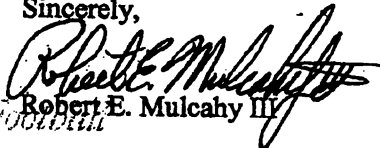
Greg Schiano
Head Coach, Football
Hale Center
Busch Campus

Dear Greg,

On February 16, 2007 an ADDENDUM to your February 28, 2006 EMPLOYMENT AGREEMENT EXTENSION was signed. You and I have agreed on the following additional item.

During the term of the ADDENDUM the following provision shall apply with respect to assistant football coaches' salaries. Effective July 1, 2007 through June 30, 2008, the aggregate annual salaries for assistant football coaches shall be in a gross amount of not less than \$1,500,000. Effective July 1, 2008 and on each July 1 thereafter, the aggregate annual salaries for assistant football coaches shall be increased by not less than 3% or, if the team has a winning record, by not less than 5%, with any increases above these minimums being within the sole discretion of the Director of the Division of Intercollegiate Athletics. Salaries for specific assistant football coaches shall be determined on an individualized basis and shall be approved by the Director. Assistant football coaches shall not be entitled to participate in the University's salary program for administrative/professional/supervisory employees. Should the NCAA increase or decrease the number of assistant football coaches, we shall agree upon an appropriate increase or decrease in the aggregate annual salary amount.

Sincerely,


Robert E. Mulcahy III

Director of the Division of Intercollegiate Athletics

Agreed:


Gregory Schiano _____ Date _____



Robert E. Mulcahy III
Director of Athletics

February 16, 2007

Greg Schiano
Head Coach, Football
Hale Center
Busch Campus

Re: Summer Football Camp

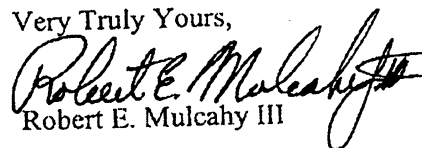
Dear Greg,

This will confirm our agreement concerning your summer football camp. So long as you are the head coach of the Rutgers football team at the New Brunswick campus, you will continue to direct football camps and have the opportunity to direct and participate in football clinics at Rutgers. In connection therewith, you shall be required to execute annually the then-current standard camp or clinic contract used by the Division of Intercollegiate Athletics, except that we will continue the practice of waiving during the term of your current employment contract camp fees customarily charged by the Division of Intercollegiate Athletics for use of its fields, facilities and equipment. You will continue to pay room and board costs.

If in the future Rutgers wishes to change the way it structures the summer sports camps it hosts on its campus to change the independent contractor status of the Camp Director in order to operate the camps as a University activity and Rutgers intends for this change to be applicable to all summer sports camps at its New Brunswick campus, your football camp shall be subject to the new structure. Additionally, Rutgers agrees that assistant coaches in the football camp would be paid amounts that are no less than what they (or their predecessors) received the previous summer when the camp was operated by you.

This agreement replaces and supersedes Section 12 of your February 28, 2006 Employment Agreement Extension.

Very Truly Yours,


Robert E. Mulcahy III

AGREED:


Gregory Schiano Date 2/16/07

C:\CoachSchiano\CampFeesLetter.

B/K
2/13

ADDENDUM TO THE FEBRUARY 28, 2006

"EMPLOYMENT AGREEMENT EXTENSION"

Whereas, RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY (hereinafter "RUTGERS") and GREGORY EDWARD SCHIANO (hereinafter "COACH SCHIANO") signed an EMPLOYMENT AGREEMENT on December 7, 2000 under which COACH SCHIANO would be the Head Coach of Football at Rutgers' New Brunswick Campus (hereinafter "HEAD COACH"), which position COACH SCHIANO continues to hold; and

WHEREAS, RUTGERS and COACH SCHIANO signed a letter EXTENSION AGREEMENT dated January 17, 2003; and

WHEREAS, RUTGERS and COACH SCHIANO signed an EMPLOYMENT AGREEMENT EXTENSION on February 28, 2006 (hereinafter "February 28, 2006 EXTENSION"); and

WHEREAS, in recognition of the substantial progress that has been made in establishing a foundation for a successful football program, RUTGERS and COACH SCHIANO have discussed commitments they have made to each other and have reached agreement on certain matters that are intended to supersede terms of the February 28, 2006 EXTENSION; and

WHEREAS, RUTGERS and COACH SCHIANO now desire to put in writing the terms of their agreement in this ADDENDUM to the February 28, 2006 EXTENSION;

NOW, THEREFORE, in consideration of the mutual promises contained herein,

RUTGERS and COACH SCHIANO agree as follows:

ok

1. STATUS OF FEBRUARY 28, 2006 EXTENSION

The following Sections of the February 28, 2006 EXTENSION remain in full force and effect throughout the term of this ADDENDUM: Sections 4 B (BONUS PLAN), 5 (BENEFITS), 6 (DUTIES), 7 (COMPLIANCE PROVISIONS), 9 (TERMINATION), 10 (TRAVEL EXPENSES), 11 (CLUB MEMBERSHIP), 13 (RADIO AND TELEVISION COACHES SHOWS), 14 (APPROVAL OF SCHIANO ACTIVITIES), 15 (AUTOMOBILE), 16 (ASSISTANT COACHES), 17 (SOLICITATION PROVISION), 19 (COMPLETE AGREEMENT), 20 (APPLICABLE LAW) and 21 (PARAGRAPH HEADINGS). Other Sections of the February 28, 2006 EXTENSION are replaced and superseded by the provisions of this ADDENDUM as enumerated and described below.

2. TERM

Subject to the provisions of this ADDENDUM, COACH SCHIANO'S employment by RUTGERS shall be extended beyond December 31, 2012 and now shall continue through December 31, 2016.

3. BASE SALARY

Effective January 1, 2007, COACH SCHIANO will be paid an annual base salary at the rate of \$450,000 per year, which rate shall continue through December 31, 2008. All pension benefits, pension contributions and insurance benefits will be calculated based upon base salary. Base salary will be paid on a bi-weekly basis in accordance with regular payroll practices for staff employees.

4. BASE SALARY IN FUTURE YEARS

COACH SCHIANO will be paid an annual base salary rate in future years as follows:

A. Effective January 1, 2009 through December 31, 2010: \$500,000

B. Effective January 1, 2011 through December 31, 2016: \$550,000

5. EXTRA COMPENSATION

A. GUARANTEED ANNUAL ADDITIONAL COMPENSATION

RUTGERS and COACH SCHIANO agree that, in addition to his base salary, COACH SCHIANO will receive guaranteed additional compensation in the following annual amounts, to be paid in accordance with RUTGERS' regular payroll practices for staff employees:

1. Effective January 1, 2007 through December 31, 2012: \$500,000

2. Effective January 1, 2013 through December 31, 2014: \$600,000

3. Effective January 1, 2015 through December 31, 2016: \$650,000

B. BONUS PLAN

The BONUS PLAN set forth in the February 28, 2006 EXTENSION will continue for the full period of this ADDENDUM.

C. FOOTBALL SUPPLEMENT PAYMENTS

On July 1, 2007 and on each July 1 thereafter through July 1, 2016, COACH SCHIANO shall receive lump sum payments in the following amounts:

1. July 1, 2007 and July 1, 2008: \$550,000

2. July 1, 2009 and July 1, 2010: \$500,000

3. July 1, 2011 and July 1, 2012: \$450,000

4. July 1, 2013 and July 1, 2014: \$350,000

5. July 1, 2015 and July 1, 2016: \$300,000

D. LONGEVITY INCENTIVE PAYMENTS

On December 1, 2007 and on each December 1 thereafter through December 1, 2016, so long as COACH SCHIANO is serving as HEAD COACH on December 1 of that year, RUTGERS shall pay COACH SCHIANO lump sum longevity incentive payments in the following amounts:

1. December 1, 2007 and December 1, 2008: \$100,000
2. December 1, 2009, December 1, 2010, December 1, 2011, December 1, 2012, December 1, 2013 and December 1, 2014: \$150,000
3. December 1, 2015 and December 1, 2016: \$200,000

E. HOUSING COMMITMENTS

1. The parties wish to memorialize their discussions and prior agreements regarding COACH SCHIANO'S housing arrangement and his commitment to RUTGERS' football program. To facilitate COACH SCHIANO'S commitment to RUTGERS football, he recently purchased from the University property on which to build a home, said property being known as the Logan Lane property shown on the municipal tax map of Piscataway as Lot 8, Block 859.2. In order to protect the long-term interests of RUTGERS, RUTGERS and COACH SCHIANO previously agreed that RUTGERS will have the right to repurchase this property and said agreement was provided for in the contract for sale. The parties hereby reaffirm their agreement regarding RUTGERS right to repurchase the property as set forth in the contract for sale and reaffirm that this agreement survives the termination of this ADDENDUM and

COACH SCHIANO'S employment. This Section 5 E supersedes Section 18 C of the February 28, 2006 EXTENSION which Section 18 C is now void.

2. LOAN

a. The parties further agree that, in order to assist COACH SCHIANO with his housing, RUTGERS shall provide a loan to COACH SCHIANO in the amount of \$800,000 to be secured by a note and mortgage to be prepared and filed by RUTGERS and signed by COACH SCHIANO. The loan, which shall be without interest, shall be made to COACH SCHIANO at a point in time to be determined by him upon sufficient notice to RUTGERS to allow it to prepare the necessary documentation.

b. If COACH SCHIANO remains employed as HEAD COACH on the December 1 immediately following disbursement of the loan proceeds to COACH SCHIANO, \$100,000 of the outstanding balance of the loan shall be forgiven on that December 1.

Thereafter, on each subsequent December 1, and so long as COACH SCHIANO remains employed as HEAD COACH on said December 1, an additional \$100,000 of the outstanding balance of the loan shall be forgiven such that if COACH SCHIANO continues to be employed as HEAD COACH, the total loan will be forgiven within eight (8) years after the loan proceeds are disbursed to COACH

SCHIANO. If, however, COACH SCHIANO'S employment is terminated, whether pursuant to the COMPLIANCE PROVISIONS of this ADDENDUM, without cause, or in any other manner, COACH SCHIANO shall repay RUTGERS the full outstanding loan balance upon sale of the home or within one year of said termination, whichever is earlier.

c. It is understood and agreed by COACH SCHIANO that RUTGERS shall issue appropriate IRS forms and make all withholdings as required by law in connection with the foregoing housing provisions.

3. If COACH SCHIANO is serving as HEAD COACH on July 1, 2010, RUTGERS shall pay him a lump sum payment of \$100,000. If COACH SCHIANO is serving as HEAD COACH on July 1, 2011, RUTGERS shall pay him a lump sum payment of \$100,000.

6. TERMINATION WITHOUT CAUSE

The following provisions replace and supersede the TERMINATION WITHOUT CAUSE provision (Section 8) of the February 28, 2006 EXTENSION.

A. RUTGERS reserves the right during the term of this ADDENDUM to relieve COACH SCHIANO from all responsibilities as HEAD COACH without invoking the COMPLIANCE PROVISIONS of the February 28, 2006 EXTENSION, as continued in this ADDENDUM. This shall constitute a termination without cause and the following shall apply. Except as provided in paragraphs 6 B below,

COACH SCHIANO'S Base Salary, Guaranteed Annual Additional Compensation, Football Supplement Payments and benefits (as set forth in Sections 3 or 4, as the case may be depending upon when termination without cause occurs, 5A and 5C of this ADDENDUM and in Section 5 of the February 28, 2006 EXTENSION), but no other item or amount, will continue to be paid at their then current levels for the duration of the term of this ADDENDUM.

B. If COACH SCHIANO is relieved of his duties as HEAD COACH, there is no requirement that he obtain substitute employment. However, if he accepts other employment, the following shall apply.

1. Should COACH SCHIANO accept employment with a subsequent employer and should the total compensation he receive from said employer be less than the total of the Base Salary, Guaranteed Annual Additional Compensation and Football Supplement Payments then being paid by RUTGERS to COACH SCHIANO pursuant to Section 6 A above, then RUTGERS shall pay on a bi-weekly basis in accordance with its regular payroll practices the difference between (a) and (b), where (a) is COACH SCHIANO'S total compensation with his new employer and (b) is the total of his Base Salary, Guaranteed Annual Extra Compensation and Football Supplement Payments then being paid by RUTGERS (said difference hereinafter "salary differential"). RUTGERS shall continue to pay the salary differential for the duration of the term of this ADDENDUM. The salary differential that RUTGERS must pay pursuant to this Section shall be adjusted in case of changes in COACH

SCHIANO'S total compensation with the subsequent employer.

Accordingly, COACH SCHIANO shall be required to furnish RUTGERS with current information concerning his total compensation and any changes in total compensation. In the event COACH SCHIANO accepts subsequent employment as described herein, RUTGERS' liability to him shall be limited to paying the salary differential described herein.

RUTGERS shall not be liable to COACH SCHIANO for any other item or amount.

2. RUTGERS shall not be liable for the salary differential described above if COACH SCHIANO has been relieved of his responsibilities as HEAD COACH following discipline, corrective action or termination as set forth in the COMPLIANCE PROVISIONS of the February 28, 2006 EXTENSION, as continued in this ADDENDUM.

7. The following provisions replace and supersede the COMPENSATION TO RUTGERS FOR EARLY TERMINATION AND LIQUIDATED DAMAGES provision (Section 18) of the February 28, 2006 EXTENSION.

A. Upon the University's receipt of the following amounts, COACH SCHIANO may terminate this Agreement prior to the expiration of its term:

1. \$1,000,000 if terminated prior to the end of the 2007 regular football season.
2. \$750,000 if terminated between the end of the 2007 regular football season and the end of the 2008 regular football season.

3. \$650,000 if terminated between the end of the 2008 regular football season and the end of the 2009 regular football season.
4. \$500,000 if terminated between the end of the 2009 regular football season and the end of the 2013 regular football season.
5. \$450,000 if terminated between the end of the 2013 regular football season and the end of the 2014 regular football season.
6. \$350,000 if terminated between the end of the 2014 regular football season and the end of the 2015 regular football season.
7. \$250,000 if terminated between the end of the 2015 regular football season and December 31, 2016.

B. The parties acknowledge that COACH SCHIANO'S services to RUTGERS are unique and of a personal nature and, further, that were COACH SCHIANO to terminate his employment prior to the conclusion of the term of this ADDENDUM, it would be difficult to assess the damages suffered by RUTGERS. Accordingly, in case of such termination by COACH SCHIANO, unless RUTGERS has received the respective amount as set forth above in 7A, COACH SCHIANO agrees to pay as liquidated damages, within 30 days of terminating the contract, a sum of money as follows:

1. If COACH SCHIANO'S termination occurs between the date this ADDENDUM is executed and the end of the 2007 regular football season, the amount of liquidated damages shall be \$1,000,000.
2. If COACH SCHIANO'S termination occurs between the end of the 2007 regular football season and the end of the 2008 regular football

season, the amount of liquidated damages shall be \$750,000.

3. If COACH SCHIANO'S termination occurs between the end of the 2008 regular football season and the end of the 2009 regular football season, the amount of liquidated damages shall be \$650,000.
4. If COACH SCHIANO'S termination occurs between the end of the 2009 regular football season and the end of the 2013 regular football season, the amount of liquidated damages shall be \$500,000.
5. If COACH SCHIANO'S termination occurs between the end of the 2013 regular football season and the end of the 2014 regular football season, the amount of liquidated damages shall be \$450,000.
6. If COACH SCHIANO'S termination occurs between the end of the 2014 regular football season and the end of the 2015 regular football season, the amount of liquidated damages shall be \$350,000.
7. If COACH SCHIANO'S termination occurs between the end of the 2015 regular football season and December 31, 2016, the amount of liquidated damages shall be \$250,000.

C. There shall be no compensation due RUTGERS and there shall be no liquidated damages paid by COACH SCHIANO if COACH SCHIANO'S termination occurs after he has been relieved of his responsibilities as HEAD COACH.

RUTGERS, THE STATE
UNIVERSITY OF NEW JERSEY

Gregory E. Schiano
GREGORY EDWARD SCHIANO

Karin Ann Bruce
WITNESS:

Date: 2-16-2007

BY: Robert E. Muleshiff

Linda Markovitz
WITNESS

Date: 2-16-2007

RUTGERS DIVISION OF INTERCOLLEGIATE ATHLETICS

**OUTSIDE ATHLETICALLY-RELATED INCOME
DECLARATION FORM**

(July 2006 to June 2007 Fiscal Year)

Name: Greg Schiano Sport/Dept.: Football

NCAA Bylaw 11.2.2 requires athletic staff members (i.e., full-time or part-time athletics department staff member, excluding secretarial or clerical personnel) to annually provide a detailed accounting of all athletically related income and benefits received from sources outside Rutgers to the president or chancellor.

As a reminder, sources of such income and benefits include (but are not limited to):

- Income from annuities
- Salary earned for working sports camps/clinics
- Net profits and/or other financial resources generated by sports camps/clinics that you have incorporated and have control over (i.e., control over net profits/financial resources)
- Housing benefits
- Country club memberships
- Complimentary ticket sales
- Television and radio programs and commercials
- Endorsement or consultation contracts with athletic shoe, apparel or equipment manufacturers
- Income from corporations in exchange for charitable work
- Income or gifts from individuals or booster groups
- Income from all athletically-related consulting and speaking engagements

Please indicate below **ALL** athletically-related income and/or benefits that you received during the last fiscal year (July-June) from sources outside the University. This form will be approved by the director of athletics.

_____ I **DID NOT** earn any athletically-related income during the last fiscal year (July 2006-June 2007). (Please sign the back of this form and return.)

Specific Source of Income

Amount

Nike Merchandise

\$ 6,000

[REDACTED] JMJ

127,500

Specific Source of Income

Amount

By signing below, I hereby certify that I have declared all athletically related income and benefits that I received from sources outside Rutgers during the last fiscal year (July 2006 to June 2007).


Staff Member Signature

8/4/07
Date

APPROVAL


Director of Intercollegiate Athletics

Date

THIS FORM MUST BE RETURNED TO TERRY BEACHEM NO LATER THAN JULY 1, 2007

Robert E. Mulcahy III
Director of Athletics

December 7, 2000

Gregory Schiano
Head Football Coach
Hale Center
Busch Campus

Dear Mr. Schiano:

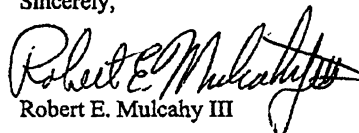
You and I, as well as our representatives, have discussed several additional items pertaining to your employment at Rutgers. This letter serves to clarify those items.

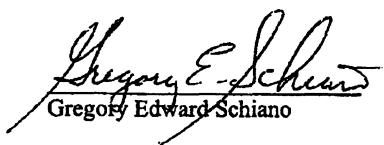
1. Four (4) seats will be available to you on the team plane.
2. We will arrange for a secure location at the Rutgers stadium for your immediate family to watch the games.
3. We will give you ~~twenty~~³⁰ (20) tickets for our home games. *RE: 3/2/06* *HE: 3/2/06*
4. We have agreed that the automobile furnished you is a Cadillac Escalade. In the event that model is discontinued, we will agree on a comparable replacement.
5. I would like to sit down with you in the near future to discuss more specifically your participation in our efforts to procure sponsors and financial support for the football program as referenced in paragraph 6B of your agreement. The University has contracted with an outside firm to engage in marketing activities. We are hopeful that with their assistance we can advance our programs.

For our records, please acknowledge below that these items are agreeable to you.

Once again, we are delighted to have you back in New Jersey at the helm of our football program.

Sincerely,


Robert E. Mulcahy III


Gregory Edward Schiano

Rutgers, The State University of New Jersey

Juis Brown Athletic Center ■ 83 Rockafeller Rd. ■ Piscataway, NJ 08854-8053 ■ Phone: (732) 445-8610 Fax: (732) 445-8616

EMPLOYMENT AGREEMENT EXTENSION

WHEREAS, RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY (hereinafter "RUTGERS") and GREGORY EDWARD SCHIANO (hereinafter "SCHIANO") signed an EMPLOYMENT AGREEMENT on December 7, 2000 under which SCHIANO would be the Head Coach of Football at Rutgers' New Brunswick campus, which position SCHIANO continues to hold, and

WHEREAS, RUTGERS and SCHIANO signed a letter EXTENSION AGREEMENT dated January 17, 2003; and

WHEREAS, RUTGERS and SCHIANO have agreed to terms that supersede certain terms in the December 7, 2000 EMPLOYMENT AGREEMENT and in the January 17, 2003 EXTENSION AGREEMENT; and

WHEREAS, RUTGERS and SCHIANO have agreed to a further extension of SCHIANO's employment and to certain additional terms and now desire to put in writing the terms of their agreement,

NOW, THEREFORE, in consideration of the mutual promises contained herein, RUTGERS and SCHIANO agree as follows:

1. TERM

Subject to the provisions of this EMPLOYMENT AGREEMENT EXTENSION, SCHIANO's employment by RUTGERS shall continue through December 31, 2012.

2. BASE SALARY

Effective January 1, 2006, SCHIANO will be paid a base salary at the rate of \$250,000 per year. All pension benefits, pension contributions and insurance benefits will be calculated based upon base salary. SCHIANO's base salary will be paid on a bi-weekly basis in accordance with regular payroll practices for staff employees.

3. BASE SALARY IN FUTURE YEARS

SCHIANO shall be paid an annual base salary in future years as follows:

- A. Effective January 1, 2007 through December 31, 2008: \$275,000
- B. Effective January 1, 2009 through December 31, 2010: \$325,000
- C. Effective January 1, 2011 through December 31, 2012: \$350,000

4. EXTRA COMPENSATION

A. GUARANTEED ANNUAL ADDITIONAL COMPENSATION

RUTGERS and SCHIANO agree that, in addition to his base salary, SCHIANO shall receive guaranteed annual additional compensation in the following amounts, to be paid in accordance with RUTGERS' regular payroll practices for staff employees:

- 1. Effective January 1, 2006 through December 31, 2006: \$625,000
- 2. Effective January 1, 2007 through December 31, 2010: \$675,000
- 3. Effective January 1, 2011 through December 31, 2012: \$750,000

B. BONUS PLAN

SCHIANO is eligible to receive each year of this EMPLOYMENT

AGREEMENT EXTENSION the following bonuses based upon achievement of the following performance thresholds. Bonuses shall be paid within thirty (30) days after they are earned.

1. BOWL GAME

RUTGERS will pay SCHIANO a bonus for participation in a bowl game.

The amount of said bonus shall be determined as follows: \$ \$50,000 if the football team plays in a bowl game, however this amount shall be \$100,000 if the football team plays in a Bowl Championship Series game and it shall be \$250,000 if the football team plays and wins the National Championship bowl game.

2. BIG EAST FINISH

RUTGERS will pay SCHIANO a bonus if the football team finishes with the 4th best (or tied for the 4th best) record in the Big East Football Conference regular season standings. The amount of said bonus shall be determined as follows: \$25,000 if the team finishes with the 4th best (or is tied for the 4th best) record; \$35,000 if the team finishes with the 3rd best (or is tied for the 3rd best) record; \$50,000 if the team finishes with the 2nd best (or is tied for the 2nd best) record; \$100,000 if the team wins (or ties) the Big East Championship.

3. ACADEMIC PERFORMANCE BONUS

Effective with the 2005-2006 academic year Rutgers will pay SCHIANO

a bonus at the end of the academic year if the team's academic performance meets the following threshold. The payment and amount of said bonus shall be determined based upon the average Grade Point Average (GPA) for student-athletes on the football team on athletically-related student aid as calculated by the Office of the University Registrar in accordance with its regular academic practices. A bonus of \$10,000 shall be paid if the average GPA is 2.5 or more but less than 2.6; the bonus shall be \$20,000 if the average GPA is 2.6 or higher.

4. ACADEMIC PROGRESS RATE BONUS

Effective with the release in or about February 2006 and annually thereafter by the NCAA of the multi-year Academic Progress Rate (APR) applicable to the football team as determined by the NCAA based upon data and other information submitted by RUTGERS in accordance with RUTGERS' regular practices, RUTGERS will pay SCHIANO \$25,000 if the APR is 950 or higher. If during the term of this EMPLOYMENT AGREEMENT EXTENSION the NCAA alters or eliminates the current scale used for calculating the APR, RUTGERS and SCHIANO agree to negotiate revised language that would provide for a bonus based upon the revised or successor scale and that would most closely approximate the 950 standard set forth herein.

5. CONFERENCE COACH OF YEAR BONUS

Effective with the 2006 football season, RUTGERS will pay SCHIANO a bonus of \$25,000 if he is named Big East Football Conference Coach of the Year.

6. NATIONAL COACH OF YEAR BONUS

Effective with the 2006 football season, RUTGERS will pay SCHIANO a bonus of \$50,000 if he is named National Coach of the Year.

7. TOP 25 POLL RANKING

Effective with the 2006 football season, RUTGERS will pay SCHIANO a bonus of \$10,000 if the team is ranked in the top 25 at any time during the regular season. The ranking is to be based upon the team's highest ranking in the Associated Press poll and the Coaches' Poll. Pre-season rankings are excluded from this bonus provision.

8. FINAL POLL RANKING

Effective with the 2006 football season, RUTGERS will pay SCHIANO a bonus if the football team is ranked in the Top 25 in the final college football rankings. The ranking is based upon the team's highest ranking in the Associated Press poll and the Coaches' poll. The amount of said bonus shall be determined as follows: \$25,000 if RUTGERS is ranked in the Top 25; \$50,000 if RUTGERS is ranked in the Top 10.

9. PAID FULL SEASON TICKET SALES BONUSES

RUTGERS will pay SCHIANO bonuses during the term of this EMPLOYMENT AGREEMENT EXTENSION upon achievement of the following paid full season ticket sales thresholds as calculated by the RUTGERS ticket office according to its regular business practices. If paid full season ticket sales rise to 12,000 RUTGERS shall pay SCHIANO \$25,000. If paid full season ticket sales rise to 14,400 RUTGERS shall pay SCHIANO \$35,000. If paid full season ticket sales rise to 16,800 RUTGERS shall pay SCHIANO \$40,000. If paid full season ticket sales rise to 19,200 RUTGERS shall pay SCHIANO \$50,000. If paid full season ticket sales rise to 22,000 RUTGERS shall pay SCHIANO \$75,000. If paid full season ticket sales rise to 25,000 RUTGERS shall pay SCHIANO \$100,000. If paid full season ticket sales rise in one season more than one threshold the bonus shall be based on the amount of only the highest threshold achieved. Thus, if paid full season ticket sales in 2006 rise from the 2005 figure which is less than 12,000 to 14,400 the bonus shall be \$35,000. These bonuses shall be paid annually so long as paid full season ticket sales do not decline below the most recently achieved threshold. If paid full season ticket sales decline below the most recently achieved threshold no bonus will be paid for that year.

5. BENEFITS

SCHIANO shall receive all benefits accorded full-time administrative/ professional/ supervisory employees at RUTGERS based upon his base salary. By way of example only, these benefits include health insurance, life insurance, disability insurance, pension program, sick leave, vacation leave and tuition remission. SCHIANO understands that some of the benefits accorded RUTGERS employees are furnished by the State of New Jersey and are subject to State legislation, rules and regulations. With respect to benefits furnished by the State of New Jersey and to those furnished by RUTGERS, SCHIANO understands and agrees that these benefits may change from time to time and that he is subject to all changes applicable to other administrative/professional/supervisory employees.

6. DUTIES

A. HEAD COACH

Subject to the provisions herein, SCHIANO shall be assigned to be the Head Coach of Football at RUTGERS' New Brunswick campus (hereinafter "HEAD COACH"). He will devote the entire calendar year to these duties except for his allowed vacation. For as long as SCHIANO is HEAD COACH, he shall be responsible for, and devote his full-time attention and best efforts to coaching, administering and recruiting the football team in a manner consistent with RUTGERS' policies and practices governing intercollegiate athletics so as to allow the team to compete effectively in Big East Football Conference and National Collegiate Athletic Association (NCAA) play.

B. OTHER DUTIES

1. SCHIANO agrees to participate in fund-raising events in support of RUTGERS as may be reasonably required of him by the DIRECTOR OF INTERCOLLEGIATE ATHLETICS (hereinafter "DIRECTOR"). By way of example only, such activities will include Scarlet R programs, alumni/ae meetings and booster club programs. SCHIANO also agrees to participate in public relations, promotional and personal appearance activities on behalf of RUTGERS and the football program as may be reasonably required of him by the DIRECTOR.

2. In addition, RUTGERS reserves the right to produce and market radio and television shows concerning RUTGERS, its football or athletic program, or the State of New Jersey, and to negotiate and contract with third parties for the production and marketing of same. SCHIANO shall cooperate in these efforts, shall make himself available in connection with these activities and shall otherwise provide such reasonable services in connection with these activities as the DIRECTOR may reasonably require of him.

3. Further, RUTGERS reserves the right to negotiate and contract with third parties to procure sponsors and financial support for RUTGERS for the football program. SCHIANO shall cooperate in these efforts, shall make himself available for, and shall make, commercial endorsements of sponsors and financial supporters as the DIRECTOR may reasonably require of him.

4. RUTGERS reserves the right to use as it sees fit, and at times it may

determine, all productions and commercial activities described herein. RUTGERS shall have the right to use the name and likeness of SCHIANO in connection with the activities described herein and in connection with other activities undertaken by RUTGERS to promote, and to secure support for the University.

C. OUTSIDE ENDORSEMENT ACTIVITY

SCHIANO may engage in outside commercial endorsement activities that he secures on his own initiative (subject to Paragraph 14 below) and may retain any income paid directly to him in connection therewith.

D. REPORTING RELATIONSHIP

SCHIANO shall report to the DIRECTOR.

SCHIANO is expected to work closely and cooperatively with the Athletic Department staff and other RUTGERS employees as necessary to discharge his duties.

7. COMPLIANCE PROVISIONS

A. For as long as SCHIANO is HEAD COACH, he will be responsible for the application of, and adherence to, all rules, regulations and principles of conduct pertaining to the football program and those persons associated with the program who are supervised by SCHIANO as required by RUTGERS, the NCAA, the Big East Football Conference and the American Football Coaches Association (AFCA), as well as any other conference or organization of which RUTGERS is, or shall become, a member.

Should SCHIANO be found to be in violation of NCAA or Big East Football

Conference rules, regulations, or principles of conduct, he shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures or Big East Football Conference Policy Manual, as the case may be. SCHIANO may be suspended for a period of time, without pay, or his employment may be terminated if he is found to be involved in deliberate and serious violations of NCAA regulations or Big East Football Conference regulations. Specifically, a suspension of more than six (6) months or termination of this agreement can only occur if there has been a knowing violation of NCAA, Big East Football Conference or American Football Coaches' Association rules, regulations or principles of conduct and a penalty has been imposed by the NCAA, Big East Football Conference, or American Football Coaches Association, as the case may be.

In the event of any proposed disciplinary action by RUTGERS, the DIRECTOR shall give SCHIANO written notice of the allegations and an opportunity to present, in person, information relating to the allegations. In the event of the imposition of discipline by RUTGERS, including suspension or termination, SCHIANO will have the right to appeal such decision to the President of RUTGERS whose decision shall be final. Nothing herein prevents the NCAA or Big East Football Conference from disciplining SCHIANO in accordance with their policies and pursuant to additional procedures that the NCAA or Big East Football Conference may furnish.

B. Independent of any action RUTGERS may take, or refrain from taking pursuant to the foregoing Paragraph A, RUTGERS may impose discipline upon SCHIANO, up to and including suspension without pay and termination of employment, for just cause, which for

purposes of the EMPLOYMENT AGREEMENT EXTENSION, shall mean any of the following: violations of any of the terms of this EMPLOYMENT AGREEMENT EXTENSION not remedied within 14 days of receipt of written notice describing in reasonable detail the particulars of the violation; a conviction of an indictable offense or of a non-indictable offense involving drugs, physical assault or purposeful harassment; a motor vehicles conviction, except for a minor traffic offense; serious or persistent misconduct relating to his employment at RUTGERS; or prolonged absence from duty (other than on account of illness) without the DIRECTOR'S consent or reasonable excuse. Notwithstanding anything to the contrary in this EMPLOYMENT AGREEMENT EXTENSION, should RUTGERS impose discipline in the form of terminating SCHIANO's employment, then payment of salary, benefits, and all other items in this EMPLOYMENT AGREEMENT EXTENSION shall cease as of the date of termination of employment.

In the event of any proposed disciplinary action by RUTGERS, the DIRECTOR shall give SCHIANO written notice of allegations and an opportunity to present, in person, information relating to the allegations; except that the DIRECTOR may place SCHIANO on suspension with pay in contemplation of disciplinary action, without prior notice or opportunity to be heard, if the DIRECTOR determines such suspension to be in the best interests of the University.

In the event of the imposition of discipline by RUTGERS, including suspension or termination, SCHIANO will have the right to appeal such decision to the President of RUTGERS whose decision shall be final.

C. Failure of RUTGERS to impose disciplinary or corrective actions in any particular instance of violation of any rule, regulation or principle of conduct, or with respect to any particular conduct or incident, shall not act as a waiver of RUTGERS' right under Paragraph A or Paragraph B above to later discipline or correct SCHIANO for any violation, whether the same or different in degree or type. However, it is agreed that RUTGERS may not act to discipline or correct SCHIANO under paragraph 7A or 7B above unless it acts within four (4) months of the DIRECTOR becoming aware of the conduct that forms the basis of the discipline or corrective action.

8. TERMINATION WITHOUT CAUSE

A. RUTGERS reserves the right during the term of this EMPLOYMENT AGREEMENT EXTENSION to relieve SCHIANO from all responsibilities as HEAD COACH. This shall constitute a termination without cause and the following shall apply. Except as provided in paragraphs 8 B and 8 C below, SCHIANO's base salary, guaranteed annual additional compensation and benefits (as set forth in paragraphs 2 or 3, as the case may be, 4A and 5, respectively herein), but no other item or amount, will continue to be paid at their then current levels for the duration of the term of this EMPLOYMENT AGREEMENT EXTENSION unless written notice of termination is given to SCHIANO prior to December 31, 2009 in which case the provision in 8 C below shall apply to the period January 1, 2011 through December 31, 2012.

B. If SCHIANO is relieved of his duties as HEAD COACH, there is no requirement that he obtain substitute employment. However, if he accepts other employment, the following

shall apply.

1. Should SCHIANO accept employment with a subsequent employer and should the salary SCHIANO receive from said employer be less than the total of the base salary and guaranteed annual additional compensation then being paid by RUTGERS to SCHIANO, then RUTGERS shall pay on a bi-weekly basis in accordance with its regular payroll practices the difference between SCHIANO's salary with his new employer and the total base salary and guaranteed annual extra compensation then being paid by RUTGERS. RUTGERS shall continue to pay, subject to paragraph 8 C below, this difference for the duration of the term of this EMPLOYMENT AGREEMENT EXTENSION. The salary differential that RUTGERS must pay pursuant to this sub-paragraph shall be adjusted in case of changes in SCHIANO's salary with the subsequent employer. SCHIANO shall be required to furnish RUTGERS with current information concerning his salary and any changes in salary.

In the event SCHIANO accepts subsequent employment as described herein, RUTGERS' liability to SCHIANO shall be limited to paying the salary differential described herein. RUTGERS shall not be liable to SCHIANO for any other item or amount.

2. RUTGERS shall not be liable for the salary differential described in this paragraph 8 B if SCHIANO has been relieved of his responsibilities as HEAD COACH following discipline, corrective action or termination as set forth in the

COMPLIANCE PROVISIONS in paragraph 7 above.

C. If RUTGERS provides SCHIANO with written notice of termination prior to December 31, 2009, RUTGERS' liability to SCHIANO for the period January 1, 2011 through December 31, 2012 shall be limited to a one-time payment of \$300,000 payable on or before January 1, 2011. Thus, by way of example, if RUTGERS provides this notice to SCHIANO prior to December 31, 2009 and he is relieved of his responsibilities as HEAD COACH effective January 1, 2010, RUTGERS' liability to SCHIANO for the period January 1, 2010 through December 31, 2010 shall be as set forth in paragraph 8 A and 8 B above and RUTGERS' liability to SCHIANO for the period January 1, 2011 through December 31, 2012 shall be a one-time payment to SCHIANO of \$300,000 payable on or before January 1, 2011 . The \$300,000 payment described in this paragraph 8 C is not subject to the offset provisions described in paragraph 8 B 1.

9. TERMINATION

In addition to other provisions in this EMPLOYMENT AGREEMENT EXTENSION affecting or resulting in termination, the following provisions shall apply. This EMPLOYMENT AGREEMENT EXTENSION shall terminate upon the death of SCHIANO. Also, this EMPLOYMENT AGREEMENT EXTENSION shall terminate upon the total and permanent disability of SCHIANO. Total and permanent disability shall mean physical or mental incapacity of a nature which prevents SCHIANO, in the sole judgment of RUTGERS from performing his duties under this EMPLOYMENT AGREEMENT EXTENSION for a period of

ninety (90) consecutive days. In case of death or disability, as described above, death and disability benefits contained in benefits plans in which SCHIANO participates shall be paid to SCHIANO's personal representative or other designated beneficiary, or to SCHIANO, as the case may be.

10. TRAVEL EXPENSES

SCHIANO's wife may accompany SCHIANO on road trips to RUTGERS' games at RUTGERS' expense.

11. CLUB MEMBERSHIP

RUTGERS will pay annually to SCHIANO up to \$7,000 for annual membership dues of a country club/social club selected by SCHIANO and approved by the DIRECTOR. Payment shall be made by RUTGERS to SCHIANO upon SCHIANO's presentation of appropriate documentation to the DIRECTOR confirming SCHIANO's membership.

12. FOOTBALL CAMPS AND CLINICS AT RUTGERS

It is understood and agreed that so long as he is the Head Coach SCHIANO will direct football camps at RUTGERS and have the opportunity to direct and to participate in football clinics at RUTGERS. In connection therewith, SCHIANO shall be required to execute the then current standard camp or clinic contract used by the Division of Intercollegiate Athletics. In connection with these activities, RUTGERS will pay SCHIANO an annual stipend of \$25,000 on July 1, 2006 and on each July 1 thereafter an annual stipend of \$50,000, so long as SCHIANO has conducted a football camp during the preceding June.

13. RADIO AND TELEVISION COACHES SHOWS

It is agreed that RUTGERS will own exclusive rights to all radio and television shows that are produced or syndicated because of SCHIANO's position as HEAD COACH. Any monies received by SCHIANO from third parties in connection with said radio or television shows shall be retained by SCHIANO.

14. APPROVAL OF SCHIANO'S ACTIVITIES

SCHIANO's participation in football camps or clinics not associated with RUTGERS, and SCHIANO's other personal activities, endorsements and appearances first shall be approved by the DIRECTOR and shall be in accordance with the rules and regulations of RUTGERS, the NCAA and the Big East Football Conference. The purpose of obtaining said approval is for the DIRECTOR to make a determination on whether the proposed participation conflicts with the athletic program at RUTGERS or SCHIANO's duties as HEAD COACH and whether the proposed participation is consistent with the interests of RUTGERS as it may, in its sole discretion, determine.

In addition, with respect to athletically related income, SCHIANO is required annually to receive prior written approval from the President of RUTGERS for all athletically related income and benefits from sources outside RUTGERS. SCHIANO's request for approval shall be in writing to the DIRECTOR and shall include the amount and the source of the income including, but not limited to, income from annuities, sports camps, housing benefits, country club memberships, complimentary ticket sales, television and radio programs, and endorsement or consultation contracts with athletics shoes, apparel, or equipment manufacturers.

15. AUTOMOBILE

RUTGERS will provide SCHIANO with a full-size passenger vehicle or comparable car for his use in accordance with RUTGERS' Division of Intercollegiate Athletics "Policy for University-Provided Cars" as amended from time to time.

16. ASSISTANT COACHES

A. Appointments and renewals of the assistant coaching staff shall be made upon the advice of SCHIANO to the DIRECTOR who will retain authority to appoint and renew coaches who SCHIANO has agreed be appointed or renewed. SCHIANO shall recommend salary increases and terminations to the Director who will retain authority to set the salaries and to terminate staff members.

B. The Director of Football Operations and the Football Video Director shall report directly to the Head Football Coach.

C. The Strength and Conditioning Coach assigned to football shall report directly to the Head Football Coach for football related activities and to the Director for non-football activities.

17. SOLICITATION PROVISION

At any time prior to the conclusion of this EMPLOYMENT AGREEMENT EXTENSION, SCHIANO must notify in writing the DIRECTOR prior to speaking with any other university or college regarding any head coaching position.

18. COMPENSATION TO RUTGERS FOR EARLY TERMINATION AND LIQUIDATED DAMAGES

The parties acknowledge that SCHIANO'S services to RUTGERS are unique and of a personal nature and, further, that were SCHIANO to terminate his employment prior to the conclusion of this EMPLOYMENT AGREEMENT EXTENSION, it would be difficult to assess the damages suffered by RUTGERS. Accordingly, in case of such termination by SCHIANO, unless RUTGERS shall receive within thirty (30) days of termination by SCHIANO compensation from a third party in the amount of \$250,000 or \$200,000, as the case may be (\$250,000 where SCHIANO'S termination occurs between the date this EMPLOYMENT AGREEMENT EXTENSION is executed and prior to the end of the 2007 regular football season, or \$200,000 where SCHIANO'S termination occurs between the end of the 2007 regular football season and prior to the end of the 2010 football season), SCHIANO agrees to pay as liquidated damages a sum of money as follows:

A. If SCHIANO'S termination occurs between the date this EMPLOYMENT AGREEMENT EXTENSION is executed and prior to the end of the 2007 regular football season, the amount of liquidated damages shall be \$250,000; but if SCHIANO'S termination occurs between the end of the 2007 regular football season and prior to the end of the 2010 football season, the amount of liquidated damages shall be \$200,000.

B. There shall be no compensation due RUTGERS and there shall be no liquidated damages paid by SCHIANO if SCHIANO'S termination occurs after the completion of the 2010 football season. Nor shall there be compensation due RUTGERS or liquidated damages paid by

SCHIANO if SCHIANO's termination occurs after he has been relieved of his responsibilities as HEAD COACH.

C. In or about 2004-2005, RUTGERS and its representatives and SCHIANO and his representatives had discussions about a housing arrangement for SCHIANO which discussions did not result in an agreement. The liquidated damages provision in paragraph 18 A shall not be effective unless RUTGERS and SCHIANO reach agreement by April 15, 2006 on a housing arrangement.

19. COMPLETE AGREEMENT

This EMPLOYMENT AGREEMENT EXTENSION constitutes the complete and entire understanding between RUTGERS and SCHIANO. No other promises, representations or agreements shall be binding unless put in writing by the parties. However, it is understood and agreed to by the parties that SCHIANO is subject to all University regulations, policies and procedures generally applicable to other administrative/professional/supervisory employees except as may be otherwise specifically provided for in this EMPLOYMENT AGREEMENT EXTENSION.

20. APPLICABLE LAW

This EMPLOYMENT AGREEMENT EXTENSION shall be construed in accordance with the laws of the State of New Jersey.

21. PARAGRAPH HEADINGS

Paragraph and subparagraph headings contained in this EMPLOYMENT AGREEMENT EXTENSION are for reference purposes only and shall not affect the meaning or

interpretation of this EMPLOYMENT AGREEMENT EXTENSION.

RUTGERS, THE STATE UNIVERSITY
OF NEW JERSEY

WITNESS: *Hyman M. C...*

BY: *Robert E. Mulachy* *7/28/05*
DATE

WITNESS: *Hyman M. C...*

Gregory E. Schiano *2/28/06*
GREGORY EDWARD SCHIANO DATE

l:jbwolf/schiano2006extensionfinal2.22.06

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THE FILE

Greg
Schiano

RUTGERS DIVISION OF INTERCOLLEGIATE ATHLETICS

OUTSIDE ATHLETICALLY-RELATED INCOME DECLARATION FORM

(July 2005 to June 2006 Fiscal Year)

Name: Greg Schiano

Sport/Dept.: Football

NCAA Bylaw 11.2.2 requires athletic staff members (i.e., full-time or part-time athletics department staff member, excluding secretarial or clerical personnel) to annually provide a detailed accounting of all athletically related income and benefits received from sources outside Rutgers to the chief executive officer.

As a reminder, sources of such income and benefits include (but are not limited to):

- Income from annuities
- Salary earned for working sports camps/clinics
- Net profits and/or other financial resources generated by sports camps/clinics that you have incorporated and have control over (i.e., control over net profits/financial resources)
- Housing benefits
- Country club memberships
- Complimentary ticket sales
- Television and radio programs and commercials
- Endorsement or consultation contracts with athletic shoe, apparel or equipment manufacturers
- Income from corporations in exchange for charitable work
- Income or gifts from individuals or booster groups
- Income from all athletically-related consulting and speaking engagements

Please indicate below **ALL** athletically-related income and/or benefits that you received during the last fiscal year (July-June) from sources outside the University. This form will be approved by the director of athletics.

 I **DID NOT** earn any athletically-related income during the last fiscal year (July 2005-June 2006). (Please sign the back of this form and return.)

Specific Source of Income

Amount

Nike Merchandise

\$ 6,000

Magder Bank (speaking)

\$ 500

****TO BE COMPLETED BY ALL STAFF MEMBERS EXCEPT SECRETARIAL PERSONNEL****

RUTGERS DIVISION OF INTERCOLLEGIATE ATHLETICS

**OUTSIDE ATHLETICALLY-RELATED INCOME
DECLARATION FORM**

(July 2008 to June 2009 Fiscal Year)

Name: Greg Schiano Sport/Dept.: Football

NCAA Bylaw 11.2.2 requires athletic staff members (i.e., full-time or part-time athletics department staff member, excluding secretarial or clerical personnel) to annually provide a detailed accounting of all athletically related income and benefits received from sources outside Rutgers to the president or chancellor.

As a reminder, sources of such income and benefits include (but are not limited to):

- Income from annuities
- Salary earned for working sports camps/clinics
- Net profits and/or other financial resources generated by sports camps/clinics that you have incorporated and have control over (i.e., control over net profits/financial resources)
- Housing benefits
- Country club memberships
- Complimentary ticket sales
- Television and radio programs and commercials
- Endorsement or consultation contracts with athletic shoe, apparel or equipment manufacturers
- Income from corporations in exchange for charitable work
- Income or gifts from individuals or booster groups
- Income from all athletically-related consulting and speaking engagements

Please indicate below **ALL** athletically-related income and/or benefits that you received during the last fiscal year (July-June) from sources outside the University. This form will be approved by the director of athletics.

I **DID NOT** earn any athletically-related income during the last fiscal year (July 2008-June 2009). (Please sign the back of this form and return.)

Specific Source of Income

Amount

<u>IMJ</u>	<u>99,000.00</u>
<u>Nike Merchandise</u>	<u>6,932.00</u>
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