

RODNEY D. BENNETT
CHANCELLOR OF THE UNIVERSITY OF NEBRASKA-LINCOLN

This Contract is hereby entered into by and between the University of Nebraska-Lincoln ("University") a public body corporate under the Constitution and Statutes of the State of Nebraska and Rodney D. Bennett ("Chancellor Bennett"), collectively referred to as the Parties.

- RECITALS -

- A. As recited in the minutes of the meeting of the Board of Regents of the University of Nebraska-Lincoln (the "Board") held on July 20, 2022, and the recommendation of the President of the University (the "President") to the Board, the Board has agreed to appoint Rodney D. Bennett to serve as Chancellor of the University of Nebraska-Lincoln ("UNL") and Vice President of the University of Nebraska.
- B. Chancellor Bennett has agreed to serve as Chancellor of the University of Nebraska-Lincoln under the terms set forth within this Contract.

TERMS

In consideration of the mutual promises and covenants set forth below and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

Section 1.1. Term of Appointment

1.1 The Term of Appointment of the Chancellor shall be as follows: The Chancellor of UNL, and vice president of the University of Nebraska-Lincoln, shall commence on July 1, 2022 ("Effective Date"). The "Initial Term" of Chancellor Bennett shall be for a period of three (3) years. The term may be extended by mutual written agreement of the Parties. Throughout this Contract, "Term" shall refer to the Initial Term, including any extension or renewal provided herein, or termination as provided in Section 1.2, or as otherwise provided by law. All prior negotiations and representations between the Parties hereto shall be incorporated into this Contract. Except as otherwise specifically provided herein and expressly provided in any agreement at the time of the Term, all compensation and benefits payable to the Chancellor Bennett under this Contract shall cease to the full extent permitted by law.

Section 2. Salary, Authority and Duties

2.1 **Base Salary.** In consideration of an annual salary of \$720,000 ("Base Salary") further agreements between the University and the Chancellor, Bennett will report to the Board of Regents of the University of Nebraska and Vice President of the University of Nebraska.

2.2 **Authority; Duties.** As Chancellor and Vice President, Chancellor Bennett will report to and be accountable to the President and Chancellor Bennett will perform all of the duties incident to the Office of the Chancellor of the University of Nebraska, as such powers and duties are prescribed in the Constitution of the University of Nebraska, the Statutes and policies, rules and regulations of the University. A copy of the *Bylaws* in effect on the date of this contract have been furnished to Chancellor Bennett. Chancellor Bennett is expected to exhibit individual leadership to maintain and to set the highest standards of competence, professionalism, and ethics at the University. Chancellor Bennett acknowledges that his duties as Chancellor include a duty to professionally balance and respect diverse interests, values, and opinions to college and university from actions or omissions which can reasonably be expected to impair the reputation of the University or the Office of Chancellor of UNL. Chancellor Bennett acknowledges that these duties are not strictly limited to his official actions as Chancellor or the official responsibilities of the Office of Chancellor.

2.3 **Adjustment of Base Salary.** The Chancellor's Base Salary shall change automatically during his employment by the University of Nebraska as determined without formal written agreement or contract, provided that Chancellor Bennett's Base Salary shall not increase under circumstances where the University determines that a decrease in the salary, reduction in the number of administrative staffs.

2.4 **Payment.** Chancellor Bennett's Base Salary will be paid in twelve equal monthly installments in accordance with the policies of the University governing payment of salary to administrative staff of the University.

Section 3. Appointments.

3.1 **Special Appointment.** Chancellor Bennett's professional staff appointment as Chancellor and Vice President will be an all-year, full-time special appointment in the academic-administrative staff of the University. Chancellor Bennett's appointment as Vice President will be subject to the terms and conditions of employment for members of the academic-administrative staff holding a year, full-time appointment as provided in Chapter IV of the *Bylaws* and the rights and responsibilities of the professional staff as provided in Chapter IV of the *Bylaws*.

Section 4. Fringe Benefits

4.1 **Benefits.** Chancellor Bennett will receive the fringe benefits of University employment including vacation, disability leave, retirement, and health insurance benefits prescribed for other members of the academic-administrative staff. Chancellor Bennett will receive such additional fringe benefits relating to his employment as Chancellor as are set forth in this Contract and as may be determined hereafter approved and authorized by the University.

4.2 **Tax Treatment.** The Base Salary and taxable portion of fringe benefits payable to Chancellor Bennett for his services pursuant to this Contract shall be subject to withholding for federal and state payroll taxes. The University shall (i) determine in accordance with applicable federal and state laws, regulations, orders, and rulings, the necessary payroll taxes to be withheld and (ii) appropriately withhold necessary payroll taxes on the University's taxable compensation; no part of the University's taxable compensation shall be subject to the University's regular payroll reporting and income reporting guidelines. The University shall report the taxable income from the fringe benefits resulting to Chancellor Bennett as taxable income from the University to Chancellor Bennett on the University's regular payroll reporting and income reporting guidelines.

Section 5. Deferred Compensation

5.1 **Deferred Compensation Agreement.** Resigning July 1, 2023, Chancellor Bennett shall receive deferred compensation as provided in the Deferred Compensation Agreement attached hereto and incorporated herein as Appendix A.

Section 6. Moving and Transition Expenses

6.1 **Expenses of Relocating.** Pursuant to the University's Policy on Relocation, moving expenses will be paid as a lump sum payment processed through payroll. Payment of \$15,000 for moving relocation expenses is hereby authorized.

Section 7. Membership

7.1 **Club Membership.** As a condition of employment in the performance of duties as Chancellor, Chancellor Bennett shall have full privilege and access to membership in a country club of his choosing, provided that the selection for such membership and the membership status thereof shall be acceptable to the University of Nebraska Foundation in its reasonable discretion. Such membership shall be maintained in accordance with the University's policies and processes for non-union membership which shall be paid or directed by the University. All dues and fees not received from the University of Nebraska Foundation.

7.2 **Tax Treatment.** With respect to club membership initiation fees are not considered compensation to the Chancellor, such fee will be reported as a club membership that is defined by the IRS, the fee will be reported to the University of Nebraska Foundation. Chancellor Bennett shall keep and provide to the University and/or the University of Nebraska Foundation records in compliance with the Internal Revenue Code and substantiate legitimate business use of such club membership, in order that annual dues or periodic club dues may be allocated between business and personal use. Failure to maintain and provide such records shall result in the annual or periodic club dues paid on behalf of Chancellor Bennett to be fully taxed and reported as compensation. The value of Chancellor Bennett's personal use of such membership will be considered taxable income to the IRS and reported to the IRS as required by law.

Section 8. Outside Business, Civic, Professional Activities, Dues, and Other

8.1 **Outside Activities.** Chancellor Bennett shall devote substantial substantiality of his attention to the duties of his position as Chancellor of the University of Nebraska.

contemplates the performance of these duties by Chancellor Bennett may be advanced by the expenditure of reasonable amounts of time for charitable, civic, service, or professional activities.

The University acknowledges that leaders in higher education and/or business organizations may advance the interests of the University and encourages Chancellor Bennett's reasonable (based upon the time commitment) participation in such seminars and other similar professional growth activities, which do not interfere with performance of his duties as Chancellor of UNL, and reasonable expenses in connection therewith, including membership in professional organizations sponsored by the University.

8.2 No Interference or Conflicts The expenditure by Chancellor Bennett of reasonable amounts of time relating to his outside business activities considered pursuant to this Contract, provided such activities do not interfere with Chancellor Bennett's performance or duties as Chancellor of UNL. Chancellor Bennett shall not engage in any outside activity which may be adverse to the best interests of the University and shall not serve as a compensated member of the board of directors or any other organization without first obtaining approval from the President.

Section 9. Activities of Chancellor's Spouse

9.1 Spouse's Attendance Expenses The Chancellor's spouse plays an important role in the social and professional life of the University. Consequently, University of Nebraska Foundation funds or other University funds will be allocated to pay reasonable and customary travel expenses for Chancellor Bennett's spouse to participate in selected University events. Ordinarily, this will include one or two events each year. It is understood and agreed that Chancellor Bennett's spouse may be expected to participate in University activities as a representative of the University to facilitate Chancellor Bennett's ordinary and necessary duties as Chancellor.

Section 10. Performance Evaluations.

10.1 Evaluation of Chancellor's Professional Performance as Chancellor of UNL shall be evaluated by the President, a committee designated by the President, and Chancellor Bennett.

Section 11. Termination of Employment.

11.1 **Termination for Good Cause.** A majority of the members of the Board of Regents may terminate the employment of Chancellor Bennett as Chancellor or Vice President of the University for good cause. The Board shall have good cause to terminate Chancellor Bennett's employment as Chancellor and Vice President if he fails to carry out his duties as Chancellor in a diligent and professional manner, either by absence in any manner that meets the Board's expectations after being afforded a reasonable opportunity to rectify any performance deficiencies, (b) engages in any misconduct in his role as Chancellor or in any personal misconduct outside his role as Chancellor that impairs his ability to continue serving as Chancellor, including, without limitation, any misconduct that entails a violation of the University's ethical standards or moral obligations, or (c) fails to adhere to the policies of the Board, the President, or the Bylaws, policies, rules, regulations, or practices of the University of Georgia. If Chancellor Bennett engages in any conduct that is deemed insubordinate by the President of the University, (d) he breaches any duty of confidentiality or other fiduciary duty, or (e) engages in any other conduct that is deemed to be in the best interests of the University, the Board shall first give Chancellor Bennett written notice of the grounds on which good cause is alleged to be based and provide him with opportunity for a due process hearing before the Board.

Section 12. Resignation

12.1 Except as otherwise provided in subsection (b), Chancellor Bennett shall terminate his employment as Chancellor prior to the end of the contract term, with at least sixty (60) calendar days advance written notice of his resignation. The President and Chancellor Bennett may mutually agree to waive this sixty (60) calendar day notice requirement, in which case Chancellor Bennett's resignation shall become effective as of the date of the waiver. Upon the effective date of Chancellor Bennett's resignation, all duties and obligations under this Contract, including without limitation any obligation to further compensate Chancellor Bennett for any work not yet performed, shall cease, with the exception that Chancellor Bennett's obligations to not disclose confidential information of the University shall survive the termination of this Contract.

12.2 Unless notice of termination of employment is given in accordance with Section 11 of this Contract, Chancellor Bennett or any other person acting on his behalf shall not engage in disclosure of confidential information of the University.

Chancellor Bennett's prospective employment by another employer within first fifteen (15) days of the President of such discussions or negotiations. The provisions of this subsection 12.2 shall expire effective June 30, 2025.

12.3 If Chancellor Bennett resigns to seek or accept employment with an administration of a higher education or academic institution outside the University, the Parties agree that the University will incur damages in part that would be uncertain and not susceptible to exact computation. In light of the fact that the University has acknowledged and agreed to pay the University the total sum of One Million Dollars (\$1,000,000.00) as liquidated damages, within sixty (60) calendar days following the effective date of his resignation, as a reasonable forecast or approximation of the damages that the University will incur should he resign to seek or accept employment in the administration of a higher education or academic institution outside the University. The Parties have bargained and agreed to the foregoing liquidated damages provisions, giving consideration to the significant costs for conducting an appointment search for a chancellor, the serious and substantial disruption to the University of his unplanned departure, and the serious and substantial diversion of administrative resources in relation to a change in administration, all of which result in damages that are uncertain, and difficult to determine and cannot be estimated with certainty. Accordingly, the Parties acknowledge and agree that the amount of this liquidated damages payable to the University under this provision is fair. The provisions of this subsection 12.3 shall expire effective June 30, 2025.

Section 13. Disability or Death.

13.1 Disability. Should Chancellor Bennett become disabled for reasons beyond his control by reason of disability due to illness, accident, and such disability shall continue for a period of (6) months, or if such disability is permanent, irreparable, or of such a nature as to make performance of his duties impossible, then either Party may terminate this contract, whereupon the respective rights, duties, and obligations of the Parties shall cease, and each Party shall be released and discharged from this Contract without further liability to the other. The foregoing provisions of this Section shall not apply to any liability the University may have to Chancellor Bennett under the Nebraska Worker's Compensation laws or any benefits that Chancellor Bennett may be entitled to receive under any disability law in part by the University.

13.2 Death. In the event of Chancellor Bennett's death, this Contract shall terminate at the end of the calendar year in which his death occurs. The University shall be liable to Chancellor Bennett's personal representative for such benefits and other benefits, which shall be payable to Chancellor Bennett's personal representative by reason of his death.

Section 14: Non-Disparagement.

Chancellor Bennett, for any reason, whether effectuated through a termination, resignation, or retirement, shall not, in any way, publicly or privately, make any statement or take any action that attacks, criticizes, or disparages in any way the University or any of its employees, departments, schools, departments, divisions, agents, faculty, staff, students, stakeholders, services, programs, sports, or degrees.

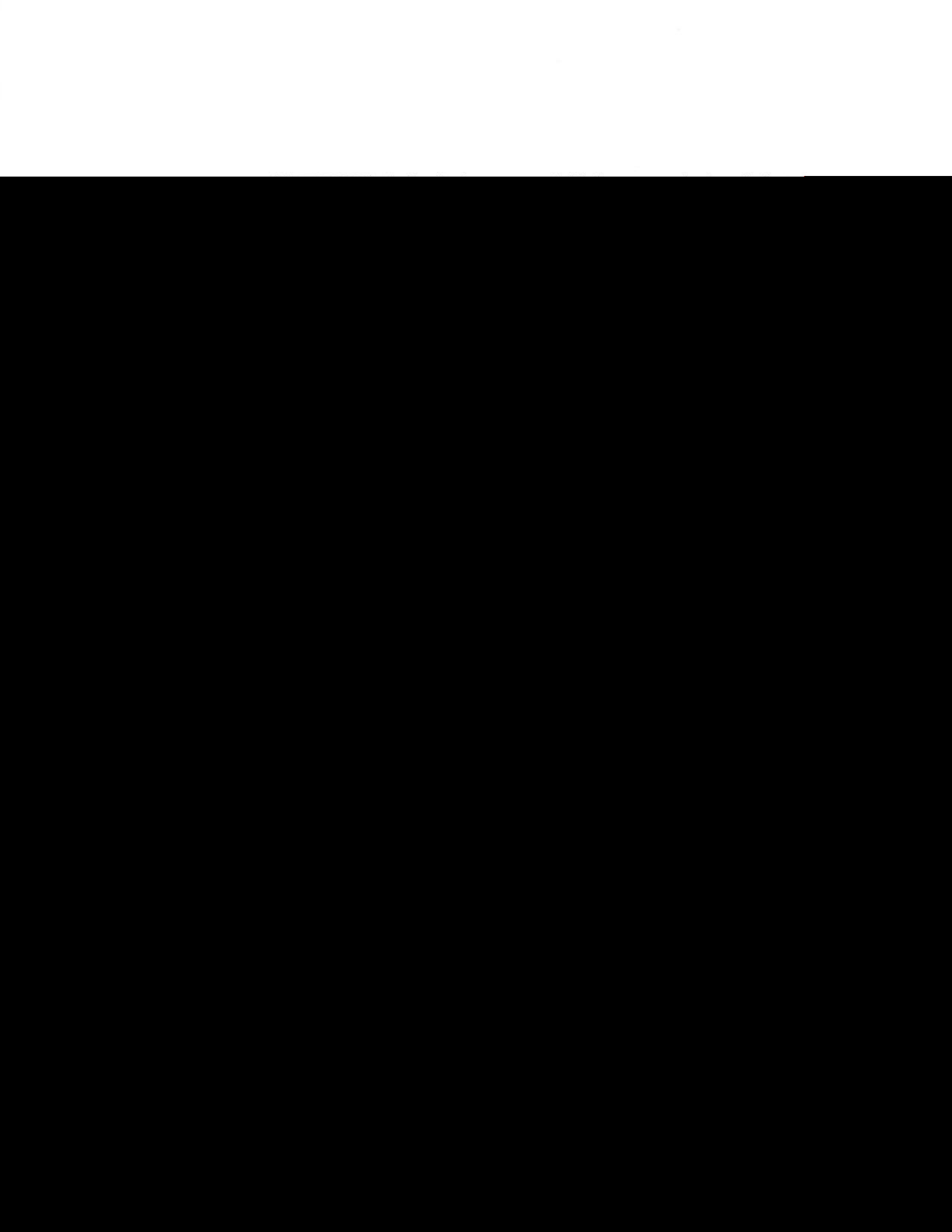
Section 15: Amendments.

15.1 Amendments. All prior negotiations and representations between the Parties are expressly incorporated into this Contract. This Contract may be amended at any time by written instrument duly approved by the President and authorized by Chancellor Bennett; however, no such written instrument shall be required for any adjustment of Chancellor Bennett's Base Salary or changes to the standard fringe benefits of this University employment, either of which may be accomplished at any time by official action of the President and without the necessity for written modification or amendment hereof.

Section 16: Governing Law; Sovereignty.

16.1 Governing Law. This Contract shall be construed and enforced as if it were a contract entered into by an employee in accordance with, and is subject to, the laws of the State of Nevada.

16.2 Severability. If any provision of this Contract should be held unenforceable by a court of competent jurisdiction, or such declaration shall not affect the validity or enforceability of the remaining provisions hereof.



APPENDIX A

Defendant's Exhibit

[Attorney's Name]

**UNIVERSITY OF NEBRASKA
DEFERRED COMPENSATION AGREEMENT**

This Deferred Compensation Agreement (this "Agreement"), effective as of July 1, 2023, is made by and entered into between the Board of Regents of the University of Nebraska, a public body corporate under the Constitution and Statutes of the State of Nebraska ("University"), and Rodney D. Bennett ("Chancellor Bennett"), collectively referred to as the Parties.

RECITALS

- A. The University is an organization described in Section 501(c)(3) of the Internal Revenue Code ("Code") and, as such, is organized and operated exclusively for charitable and educational purposes.
- B. The University's Board of Regents has authorized a deferred compensation program pursuant to Section 407(a) of the Code, to be funded by the University of Nebraska Foundation for Chancellors of the Humanities.
- C. Chancellor Bennett is being hired by the University to serve as Chancellor of the University of Nebraska-Lincoln ("Chancellor Bennett"), effective July 1, 2023.
- D. The University would suffer loss if Chancellor Bennett were to accept another offer of employment, and it is thus ordinary, necessary, essential and reasonable to induce Chancellor Bennett with additional compensation and a determination to induce him to serve and continue to serve as Chancellor.
- E. The Parties have entered into an agreement to provide Chancellor Bennett with certain deferred compensation benefits, as set forth herein, that shall be in addition to his current compensation and any raises he may receive in the future.

TERMS

In consideration of the promises and covenants set forth below and of other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

Section 1. Credits to Account. The University shall, during the term of this Agreement, credit via cash deposit to a separate account owned by the University, entitled to the Chancellor

Bennett Deferred Compensation Account ("Account") 11.5 percent of Chancellor Bennett's first fiscal year base salary or \$30,000, whichever is greater, on July 1, 2020. The initial credit amount shall be credited to the Account on July 1, 2020. For purposes of this Agreement, "Fiscal Year" shall mean July 1 to June 30. For each subsequent Fiscal Year if Chancellor Bennett continues to serve as Chancellor as of July 1 of such Fiscal Year, the University shall, during the month of July of such Fiscal Year, credit 11.5 percent of Chancellor Bennett's annual base salary as Chancellor in effect on July 1 of such Fiscal Year (the "Annual Credit Amount") to the Account (subject to the termination provision in Section 2.1). Each credit of the Annual Credit Amount to the Account shall be attributable to services to be performed by Chancellor Bennett as Chancellor for the Fiscal Year in which the credit is made. Funds credited to the Account shall be invested by an investment manager as selected by the University from time to time during the existence of the Account. The Account shall be valued from time to time, but not less than annually, to reflect deemed income received or accrued and deemed gains or losses, if any, realized from investing amounts credited to the Account. Net of any investment management fees attributed to the investments, sums so credited and invested shall be held exclusively by and for the benefit of the University, shall be a part of the general assets of the University, subject to the claims of its creditors, and Chancellor Bennett shall have no present or future enforceable interest in the Account except as provided in this Agreement.

Section 2. Funding Contingencies. The obligation of the State University to fund the Account each Fiscal Year shall be subject to the obligation to be fulfilled by the

(a) **Termination of Employment.** If the employment or tenure of Chancellor Bennett as Chancellor is terminated, whether voluntarily or involuntarily, while this Agreement is in effect, then the University shall credit no additional sums to the Account on and after the date of such termination, other than investments or earnings or gains accrued prior to the date of such termination. If the termination is voluntary or involuntary for cause, the University shall remain obligated to the Account and Chancellor Bennett shall have no further claim to any of the assets or proceeds of the Account or the earnings thereon. If the termination is involuntary, not for cause, the Account shall be distributed to Chancellor Bennett as provided in Section 2.1.

"Termination of Employment" or "Terminates Employment" means the termination of Chancellor Bennett's employment with the University for reasons other than Death or Disability. Whether a termination of Employment takes place in

determined based on the facts and circumstances surrounding the termination of Chancellor Bennett's employment and whether the University and Chancellor Bennett intended for Chancellor Bennett to provide significant services for the University following such termination. A termination of employment will not be considered a Termination of Employment if Chancellor Bennett continues to provide services for the University (either as an employee or independent contractor) at a rate that is twenty percent (20%) or more of the salary or honoraria received immediately preceding three full calendar years or such lesser period.

Chancellor Bennett's employment relationship will be treated as continuing while Chancellor Bennett is on military leave, so long as the period of such leave does not exceed six (6) months, so long as Chancellor Bennett's right to receive military benefits from the University is provided either by statute or by contract. If the period of leave exceeds six (6) months and there is no right to receive military benefits, termination of employment will be deemed to have occurred as of the first date immediately following such six-month period.

(b) Disability. If Chancellor Bennett shall become disabled during the term of this Agreement to an extent that he is unable to perform his duties, no further sums shall be credited to the Account following the date of termination as a result of disability other than investment earnings or gains earned through the date of such termination, and the Account shall be distributed to Chancellor Bennett as provided in Section 3(b) herein.

(c) Death. If Chancellor Bennett shall die during the term of this Agreement, no further sums shall be credited to the Account following the date of such termination, and the Account shall be distributed to the personal representative of Chancellor Bennett's estate as provided in Section 3(c) herein.

Section 3. Vesting Distribution. The Account shall become vested and shall be distributed to Chancellor Bennett in the following manner:

(a) Vesting/Distribution at End of Third Fiscal Year of Service if Chancellor Bennett shall continue as Chancellor through June 30, 2020 All the assets credited to the Account by the University through June 30, 2020, including investment earnings attributed on the books of the University, together through such date, shall vest and shall be distributed, less applicable withholding required by law to Chancellor Bennett in a lump sum on or before July 31, 2020.

(b) Vesting/Distribution through Disability If at any time that Chancellor Bennett becomes disabled to an extent that he is no longer able to perform his duties as Chancellor, all of the assets credited to the Account and all other assets deemed Disabled, as defined in the following sentence, the assets credited to the Account including all investment earnings attributed on the books of the University thereon, will be distributed (less applicable withholding) to Chancellor Bennett in a lump sum within thirty (30) days following the date of Disability determination. Chancellor Bennett will be deemed Disabled if Chancellor Bennett is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving replacement benefits or is entitled to such benefits under an accident and health plan covering employees of the University. Medical determination of Disability may be made by the Social Security Administration or the University. Chancellor Bennett must submit proof acceptable to the Social Security Administration, including but not limited to, the Social Security Administration's determination.

(c) Vesting/Distribution Following Death In the event that Chancellor Bennett shall die while this agreement is in effect, all of the assets credited to the Account at the time of death, including all investment earnings attributed on the books of the University, together shall vest and be distributed (less required withholding) to the personal representative of Chancellor Bennett's estate in a lump sum within thirty (30) days following Chancellor Bennett's date of death.

Section 4. Conditions to Disposition of Assets - The Accounts are subject to, and contingent upon, the performance of the following actions and omissions as determined in good faith by the University:

(a) Chancellor Bennett shall commit any substantial violation of the directives, *Bylaws*, policies, rules, or regulations of the Board, pertaining to his duties as Chancellor of UNL.

(b) Chancellor Bennett shall commit any substantial violation of any rule or regulation of the National Collegiate Athletic Association (or any successor organization) that is applicable to the University and its intercollegiate athletic programs.

(c) Chancellor Bennett shall commit any substantial misappropriation of funds of the University.

Section 6. No Discretionary Powers. Chancellor Bennett shall take no action whatsoever in the exercise of discretionary powers that is not authorized by the University pursuant to this Agreement. The University shall in no manner be held liable in any manner or for any action taken by Chancellor Bennett.

Section 7. Intent of Parties. Any and all intent of the parties in entering into this Agreement shall be that the Agreement shall create a contractual obligation to make payments as provided herein. The Parties do not intend and this document should not be construed to establish any trust for the benefit of (Finance) Bennett or to give any beneficiary interest in the amounts credited to the account of Bennett. Bennett shall not be entitled to receive payment therefrom nor shall it be deemed to be an obligation of any part of Chancellor Bennett to defray any current compensation to which he might be otherwise entitled by reason of his current employment by the University.

Section 8. Miscellaneous Provisions.

(a) Entire Agreement, Amendment. This document constitutes the entire agreement between the Parties with respect to the subject matter hereof. This Agreement may not be modified, amended, or terminated except by a written agreement specifically referring to this Agreement signed by both Parties.

(b) Captions. The section headings contained herein are for the purposes of convenience only and are not intended to define the scope or contents of said section.

(c) Binding Effect. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, assigns and heirs.

(d) Nebraska Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

(e) No Acceleration or Delay of Distributions. The time or manner of distribution of amounts deferred under this Agreement may not be changed by amendment or otherwise except in conformity with the requirements of Code Section 401A.

(f) Taxes on Distributions. The University or its paying agent shall withhold any taxes that are required to be withheld from the benefits provided under this Agreement. Chancellor Bennett acknowledges that the University's sole liability regarding taxes is to forward any amount withheld to the appropriate taxing authority. The University or the paying agent shall satisfy all applicable reporting requirements, including those under Section 409A of the Code and regulations thereunder.

(g) Administration of Agreement. This Agreement shall at all times be administered and the provisions of this Agreement shall be interpreted consistent with the requirements of Section 409A and Section 407 of the Code and any and all regulations thereunder, including such regulations and interpretations as may be promulgated after the date of this Agreement.

(l) Discretionary Inclusion. Notwithstanding any provision in this Agreement to the contrary, upon the occurrence of any event that results in Chancellor Bennett becoming vested in and entitled to certain amounts credited to the Account as reasonably determined by the University, the University will permit a lump sum distribution of an amount to pay federal, state, and local income taxes due upon the vesting event, provided that the amount of such payment is not more than an amount equal to the federal, state, and local income taxes that would have been equal to the income inclusions at the time of the vesting.

(i) Distribution Upon Income Inclusion Under Code 409A Failure. If this Agreement fails to meet the requirements of Code Section 409A, as a result some portion of Chancellor Bennett's benefits required to be included in his income, the University will pay Chancellor Bennett the amount required to be included in his income as a result of such failure and noncompliance and the balance in the Account will be reduced accordingly. If the failure to meet the requirements of Code Section 409A is solely caused by an act or omission by the University (without the participation thereof by Chancellor Bennett) occurring after the date of this Agreement, the University hereby agrees to pay Chancellor Bennett an amount (the "409A Penalty Tax Amount") which is needed for Chancellor Bennett to pay the federal and state income taxes that are needed for Chancellor Bennett to pay the amount and add the total tax deduction to the account.

