

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (“Agreement”) is made and entered into this 6th day of May, 2011, by and between Kansas State University (“KSU”) and K-State Athletics, Incorporated, formerly known as The Intercollegiate Athletic Council of Kansas State University, Inc. (“IAC”), and Ronald D. Prince (“Prince”) and IPP, L.L.C. (“IPP”). KSU and the IAC may be collectively referred to herein as the “Plaintiffs.” Prince and IPP may be collectively referred to herein as the “Defendants.” Plaintiffs and Defendants may be collectively referred to herein as the “Parties” and each may be referred to individually as a “Party.”

WHEREAS, Prince was employed as KSU’s head football coach between December 5, 2005 and December 31, 2008; and

WHEREAS, Prince’s employment was terminated, without cause, on November 5, 2008, effective December 31, 2008; and

WHEREAS, on May 20, 2009, KSU and the IAC filed a declaratory judgment action against Prince and IPP in the District Court of Riley County, Kansas, Case No. 09-cv-106, to determine whether a Memorandum of Understanding signed by Prince on behalf of In Pursuit of Perfection, LLC and by Robert Krause (KSU’s then Athletics Director and the IAC’s then President and CEO), on behalf of the IAC, is a legally valid and enforceable agreement; and

WHEREAS, on January 15, 2010, Prince and IPP filed counterclaims against KSU and the IAC for (1) anticipatory repudiation and breach of contract; (2) fraud; (3) negligent misrepresentation; (4) breach of oral and/or parol contract; (5) unjust enrichment; (6) promissory estoppel; and (7) tortious interference with contract and business expectancy; and

WHEREAS, the Parties desire to fully and finally release and settle any claims or counterclaims which were or could have been asserted in the lawsuit as well as any other existing or potential claims between them.

NOW, THEREFORE, in consideration of the payment, promises and agreements set out below, and other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. Payment.

- 1.1 IAC agrees to pay IPP, L.L.C. the sum of \$1,650,000.00.
- 1.2 This payment shall be made on or before May 25, 2011.
- 1.3 The obligation to make this payment is conditioned upon the execution of this Agreement and Defendants providing Plaintiffs a completed Form W-9 for IPP, L.L.C.

1.4 Plaintiffs shall issue a Form 1099 to document this payment, and each Party shall be responsible for and pay his or its own tax obligations or liabilities with respect thereto.

2. General Mutual Release and Dismissal of Lawsuit.

2.1 In consideration of the promises and undertakings in this Agreement, Plaintiffs, on behalf of themselves and their respective officers, directors, shareholders, partners, members, managers, affiliates, subsidiaries, parent companies, past and present employees, agents, attorneys, predecessors, successors and assigns, hereby forever release and discharge Defendants and their respective officers, directors, shareholders, partners, members, managers, affiliates, subsidiaries, parent companies, past and present employees, agents, attorneys, predecessors, successors, and assigns from any and all claims, demands, indebtedness, agreements, promises, obligations, damages or liabilities, costs, expenses (including attorneys' fees or liens), and causes of action in law or in equity, of any kind, whether known or unknown, suspected or unsuspected, fixed or contingent, asserted or unasserted, arising or existing on or before the date of this Agreement.

2.2 In consideration of the promises and undertakings in this Agreement, Defendants, on behalf of themselves and their respective officers, directors, shareholders, partners, members, managers, affiliates, subsidiaries, parent companies, past and present employees, agents, attorneys, predecessors, successors and assigns, hereby forever release and discharge Plaintiffs and their respective officers, directors, shareholders, partners, members, managers, affiliates, subsidiaries, parent companies, past and present employees, agents, attorneys, predecessors, successors, and assigns from any and all claims, demands, indebtedness, agreements, promises, obligations, damages or liabilities, costs, expenses (including attorneys' fees or liens), and causes of action in law or in equity, of any kind, whether known or unknown, suspected or unsuspected, fixed or contingent, asserted or unasserted, arising or existing on or before the date of this Agreement.

Paragraphs 2.1 and 2.2 are collectively referred to herein as the "Settled Issues."

2.3 Plaintiffs and Defendants agree to dismiss with prejudice the lawsuit, each party to bear his or its own costs, expenses and attorneys' fees.

3. No Admission.

Nothing contained in this Agreement shall be construed as an admission of guilt, liability or responsibility on the part of any party in connection with the Settled Issues and all such liability is expressly denied.

4. Representations and Warranties.

- 4.1 Plaintiffs and Defendants each warrant and represent to the other that its or his execution of this Agreement has been duly authorized by all necessary corporate or other action by such Party.
- 4.2 Plaintiffs and Defendants each warrant and represent that it or he has all requisite legal rights necessary to grant the release and covenants and any other rights granted herein.
- 4.3 Each individual who executes this Agreement on behalf of any Party represents and warrants that he does so with the knowledge and express approval and authorization of the Party on whose behalf that person executes this Agreement.
- 4.4 Each Party represents and warrants that such Party is the sole and lawful owner of all right, title and interest in and to every claim or other matter which each such party purports to release herein, and that such Party has the full power to enter into this Agreement and has not assigned, transferred or encumbered, or purported to assign, transfer or encumber, voluntarily or involuntarily, to any person or entity which is not a party to this Agreement, all or any portion of the claims, obligations or rights covered by this Agreement.
- 4.5 The Parties acknowledge that they have had ample opportunity to consult with their attorneys prior to execution of this Agreement and have done so. They further acknowledge that they knowingly and voluntarily decided to sign and enter into this Agreement.
- 4.6 No inference in favor of, or against, any Party shall be drawn from the fact that any such Party has drafted any portion of this Agreement.

5. Full Satisfaction.

Without limiting in any manner the general release contained herein, Prince further expressly acknowledges and agrees that Plaintiffs' undertakings stated herein represent full satisfaction of anything and everything Prince claims or could claim Plaintiffs owe him and he shall not be entitled to any additional payment, benefit, compensation, damage or relief (monetary or otherwise), for anything arising from or related to his employment at KSU or the IAC, or arising from or related to any agreements or purported agreements between him and KSU or the IAC, or any of their past or present agents, representatives or employees.

6. Governing Law and Forum.

- 6.1 The Parties agree that this Agreement shall be interpreted in accordance with and governed by the laws of the State of Kansas, without regard to the conflict of laws principles thereof.
- 6.2 The Parties further agree that the District Court of Riley County, Kansas shall have personal and subject matter jurisdiction over any action brought to enforce this Agreement.

7. Entire Understanding.

- 7.1 This Agreement contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes any and all prior representations, agreements and understandings of the Parties, whether oral or written, related to such subject matter.
- 7.2 No change, modification or waiver of any of the provisions of this Agreement will be binding, except by an instrument in writing signed by an authorized representative of each of the Parties.

8. Counterparts and Headings.

- 8.1 This Agreement may be executed in two or more identical counterparts, all of which constitute one and the same Agreement. Facsimile or other electronically transmitted signatures on this Agreement are deemed to have the same force and effect as original signatures.
- 8.2 The headings in this Agreement are for convenience and shall not expand, modify, limit, or define the text of this Agreement.

9. Statement.

- 9.1 Plaintiffs shall issue a statement in connection with this Agreement. Among its terms shall be a separate paragraph that reads:

“Neither the University nor K-State Athletics contends or believes that in negotiating his employment agreement or the MOU, Coach Prince engaged in any wrongful or unethical conduct. Discovery has demonstrated that this situation was not of Coach Prince’s making.”

- 9.2 No other terms of the statement (or any other statement made by Plaintiffs or Plaintiffs’ Releasees) shall contradict or negate the language agreed to above.

The Parties hereby execute this Agreement to be effective as of the date first above written.

RONALD D. PRINCE

R. D. Prince

STATE OF Indiana)
COUNTY OF Marion) ss.

On this 6 day of May, 2011, before me the undersigned Notary Public, personally appeared Ronald D. Prince, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as of his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal at my office in Indianapolis, Indiana, the day and year last above written.

Stephanie R. Paul
Notary Public in and for said County and State

My Commission Expires:

July 20, 2015

IPP, L.L.C.

By: R.D. Prince
Print Name: RONALD D. PRINCE
Title: President

STATE OF Indiana)
COUNTY OF Marion) ss.

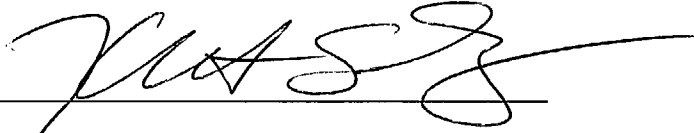
On this 6 day of May, 2011, before me the undersigned Notary Public, personally appeared Ronald D. Prince, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as of his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal at my office in Indianapolis, Indiana, the day and year last above written.

Stephanie L. Paul
Notary Public in and for said County and State

My Commission Expires:
July 20, 2015

KANSAS STATE UNIVERSITY

By: 

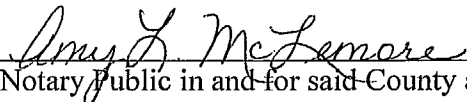
Print Name: Kirk H. Schulz

Title: President

STATE OF KANSAS)
) ss.
COUNTY OF RILEY)

On this 6th day of May, 2011, before me the undersigned Notary Public, personally appeared Kirk H. Schulz, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as of his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal at my office in Manhattan, Kansas, the day and year last above written.


Notary Public in and for said County and State

My Commission Expires:

