

AGREEMENT BETWEEN
KANSAS STATE UNIVERSITY
AND
K-STATE ATHLETICS, INCORPORATED

THIS AGREEMENT entered into this 30th day of June, 2009, between KANSAS STATE UNIVERSITY (hereinafter called "the University") and K-STATE ATHLETICS, INCORPORATED (hereinafter called "the Corporation").

WITNESSETH THAT it is desirable and in the best interests of the University and the Corporation to state in general terms their mutual responsibilities in the development and operation of the University's intercollegiate athletics program located on land and facilities owned or controlled by the University in accordance with rules and regulations of the University.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the University and the Corporation agree as follows:

1. In accordance with the principle of institutional control of intercollegiate athletics, the intercollegiate athletics program will be operated by the Corporation as a division of the University. Except for those policies and procedures that are unique to the Corporation, passed by the Corporation's Board of Directors, and approved by the President of Kansas State University ("the President"), the Corporation shall be subject at all times to applicable University regulations and administrative policies.
2. The Corporation shall be entitled to maintain and operate an intercollegiate athletics program located on land and facilities owned or controlled by the University. This land and facilities shall be described in Exhibit A, attached. When the foregoing facilities are under the use and control of the Corporation, the Corporation shall be responsible for such use and control and for any claims arising out of the Corporation's use and control of the facilities. To that end, the Corporation shall list the State of Kansas, the Board of Regents of the State of Kansas, Kansas State University, and their agents and employees, as additional insureds on any liability policies the Corporation chooses to purchase. When the foregoing facilities are used and controlled by the University, it is agreed that claims arising out of this use and control shall be subject to the provisions of the Kansas Tort Claims Act, K.S.A. 75-6101, et seq., and that the Corporation's responsibilities shall be limited to any act or omission of the Corporation or its agents and employees.
3. The University shall provide power and water for indoor and outdoor facilities covered by this agreement. The University shall also provide such routine police and fire

protection as is customarily provided other campus facilities, and shall make available to the Corporation use of the University's telephone system. The Corporation shall be responsible for paying for the use of the telephone system, data network, and its customary share of utilities.

4. The Corporation agrees to provide management and operational services for operating an intercollegiate athletics program and to collect and disburse the funds heretofore and hereafter subscribed.

5. All of the Corporation's revenue generated from its operations or facilities shall be the property of the Corporation maintained in special accounts with the Controller's Office of the University, and shall be used to defray the cost of operating, improving and maintaining the intercollegiate athletics program of the University, and to defray the cost of operating, constructing, improving, and maintaining facilities for the intercollegiate athletics program. Other revenue and donations that are deposited with the KSU Foundation for the benefit of the intercollegiate athletics program may be drawn upon for expenditures of the Corporation. Any other revenues or donations deposited with the KSU Foundation may be drawn upon for the Corporation's expenditures only upon approval of the President.

6. The Corporation agrees to make available to the University all books and records of the Corporation and shall be audited annually by an independent certified public accountant with five copies of each audit furnished to the University's Internal Audit Department for filing with the Board of Regents, the State Division of Post Audit and appropriate University Offices.

7. With the prior approval of the President, the Corporation may borrow money for the construction or improvement of facilities or for the purchase of equipment or for operational expenses.

8. This agreement is effective June 15, 2009, and shall automatically and without further action on the part of either party be extended from year-to-year, unless and until one party shall give to the other party one-year written notice. This agreement shall immediately terminate in the event that the Corporation shall be dissolved either by mutual agreement of both parties or by order of the President, the Board of Regents, The Big 12 Conference, or the National Collegiate Athletic Association, or under the command of the laws of the State of Kansas. This agreement may be reviewed at any appropriate time by written request of either party to the agreement for the purpose of effecting such revision as may be necessitated by changing conditions, changed laws or regulations.

9. Neither the State of Kansas nor the University shall hold harmless or indemnify K-State Athletics, Inc. for any liability whatsoever; furthermore, neither the State of Kansas

nor the University shall be required to purchase any insurance against loss or damage to any property or for any other subject matter relating to this agreement.

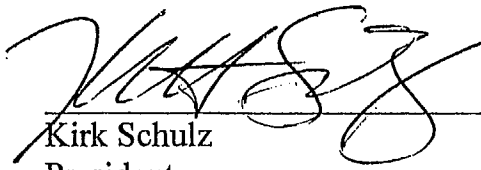
10. Because the status of athletics staff members is discussed within the Corporation's by-laws, the parties agree that the definition of "junior athletics staff member" is: An employee of the Corporation who receives less than \$100,000 in total annual compensation. The parties also agree that the definition of "senior athletics staff member" is: An employee of the Corporation who receives \$100,000 or more in total annual compensation. The President retains the final authority to accept or reject the recommendations or decisions of the Compensation Committee or the Corporation's Board of Directors regarding the employment or compensation of any employee of the Corporation. All head coaches, assistant coaches, and senior athletics staff members must be joint employees of the Corporation and the University. Any contract that creates a financial obligation to an employee or other legal entity for longer than one calendar year must be submitted to the Board of Directors and the President for approval.

11. The parties agree that the only persons with the authority to sign legal documents on behalf of the Corporation (with maximum expenditure commitment limits in parentheses) are: the Chief Executive Officer (\$100,000); and the Secretary/Treasurer (\$100,000). Any transaction that exceeds these limits must be approved by the Board of Directors.

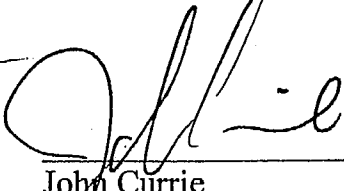
IN WITNESS HEREOF the parties hereto have set their hands as of the day and year first above written.

KANSAS STATE UNIVERSITY

K-STATE ATHLETICS, INCORPORATED



Kirk Schulz
President



John Currie
Chairman and CEO (with authorization from
the Board of Directors)