

January 15, 2022

Dear Dr. Schlissel:

This letter is to advise you that the Regents of the University of Michigan (the "Regents") are terminating your employment as President of the University of Michigan and your September 23, 2021, Employment Agreement (the "Agreement") because you have materially breached Paragraph I.B. of the Agreement. Your termination is for "Cause" pursuant to Paragraph V.D.(2)(ii) of the Agreement and is effective immediately.

As you know, the Regents received an anonymous complaint regarding an alleged sexual affair between you and a subordinate. An investigation has revealed that your interactions with the subordinate were inconsistent with promoting the dignity and reputation of the University of Michigan. As some examples:

On July 1, 2021, you exchanged emails with the subordinate using your University of Michigan email. In this exchange, she states that her "heart hurts" to which you respond "i know. mine too." You state that "this is my fault" and that you are "in pain too." You finish with "I still wish I were strong enough to find a way."

On January 9, 2021, you responded to an email from the subordinate's official University of Michigan email address. In her email, the subordinate had said "Oh yes!" In your response you wrote: "Love it when you say that." You made a similar remark in an email dated April 25, 2020.

On September 1, 2021, you wrote to the subordinate's official University email address and referred to her as "sexier."

On November 4, 2021, you emailed the subordinate with regard to a University of Michigan basketball game you were scheduled to attend as part of your official duties as President. In that email you expressed disappointment that you were potentially not sitting with the subordinate, stating "the only reason I agreed to go was to go with you. there is a conspiracy against me."

On December 3, 2021, you responded to the subordinate regarding the Big Ten Championship "President's Suite briefing Info" stating that "You can give me a private briefing."

Letter to Dr. Schlissel January 15, 2022 Page 2

These emails demonstrate that you were communicating with the subordinate through the University of Michigan email system using an inappropriate tone and inappropriate language. They also demonstrate that you were using official University of Michigan business as a means to pursue and carry out a personal relationship with the subordinate.

We have included with this letter additional email communications between you and the subordinate that reflect similar exchanges.

Your conduct as summarized above is particularly egregious considering your knowledge of and involvement in addressing incidents of harassment by University of Michigan personnel, and your declared commitment to work to "free" the University community of sexual harassment or other improper conduct. For example, with regard to the actions of Martin Philbert, on August 3, 2020, you sent an email to the entire University of Michigan community, writing that: "The highest priority for our regents and leadership team is to make our community safe for all. The regents have been stressing with campus leadership the importance of diminishing sexual harassment and misconduct for many years."

You also declared to the community that your leadership would "determine what we need to do to address the fear of retaliation in our community and build a culture that does not accept misconduct or harassment at any level." Accordingly, there can be no question that you were acutely aware that any inappropriate conduct or communication between you and a subordinate would cause substantial harm to the dignity and reputation of the University of Michigan.

Paragraph I.B. of your Agreement clearly states that "[y]our conduct and comportment shall at all times be consistent with promoting the dignity, reputation, and academic excellence of the University." Despite agreeing to abide by this obligation, the facts outlined above and the emails attached to this letter show that you have materially breached your obligation to act in a matter consistent with promoting the dignity and reputation of the University.

Under Paragraph V.D.(2)(ii) of your Agreement, "Cause" is defined to include "your material breach of this Agreement, which is not cured, if curable, within (10) ten days after your receipt of written notice of such breach." Your material breach of your Agreement, as outlined above, has already occurred over an extended, years-long timeframe and is not curable. Because this breach is not curable, no notice is required.

You are required to return all University property associated with your position of President, including but not limited to keycards and keys; University identification and p-cards; all University electronic equipment, including laptops and phones; and all University documents. Rich Holcomb will be in touch with you to make all necessary administrative and human resources arrangements, including securing the return of those University items and the removal of all personal belongings from your office. In addition, pursuant to Section IV.A. of your Employment Agreement, you have 30 days to vacate the presidential house on South University Avenue.

Letter to Dr. Schlissel January 15, 2022 Page 3

Sincerely,

ordan B. Acker

Mark J. Bernstein

Sarah/Hubbard

Knold Weiser (sic)

Ronald Weiser

Michael J. Behm

Paul W. Brown

Denise Ilitch (sic)

Denise Ilitch

Katherine E. White