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April 18, 2006

PERSONAL AND CONFIDENTIAL

Mr. Gary Steinke
Executive Director
Board of Regents
State of Iowa
11260 Aurora Avenue
Urbandale, IA 50322-7905

Dear Mr. Steinke:

Thank you for retaining Heidrick & Struggles, Inc. to assist in the identification and selection of the President for the University of Iowa. It will be our responsibility to assist you in making an informed decision about the best qualified candidates available.

Fees and Expenses

As you may know, Heidrick & Struggles works on a retainer arrangement by project. Our fee is one-third of the total first year estimated cash compensation for each search and for each additional executive employed as a result of each search. Estimated compensation includes base salary, target bonus and any sign-on bonuses. For the President position, we will base our retainer on a target total cash compensation of \$330,000.00. As a result, our retainer fee for this assignment will be \$110,000.00 and will be invoiced in three increments of \$36,666.66 each, the first on the start date of the engagement, the second 30 days following the start date, and the third 60 days following the start date. When the assignment is completed, we will reconcile our fee to the actual compensation and send a final invoice should actual compensation exceed the basis of our retainer.

We are also reimbursed for direct expenses, indirect expenses, and value added (VAT)/sales taxes. Direct expenses are costs associated with the interviewing and

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selection process and with visits to the client location. Indirect expenses are costs that are attributable to our client projects as incremental costs but are not possible to attribute to each individual project. Indirect expenses are 12% of the fee and billed in three increments.

Terms of Payment

The fee and expenses are for professional services rendered. Payment of our fee, expenses, and applicable VAT/sales taxes is not contingent upon the hiring of one of our candidates. All invoices are due and payable upon presentation.

We will make every effort to complete the search in six months. Should this not occur, we will continue the search without additional fee, up to nine months from the start of the search, charging only expenses. In the unlikely event that the search is not successfully concluded at the end of nine months, we may suggest a reevaluation of the assignment to determine whether any further work is practical.

If this project is canceled within the first 30 days, we will charge one-third of our initial fee plus expenses and applicable VAT/sales taxes. If this project is canceled between the 30th and 90th days, we will charge only for the pro rata portion of the fee, plus expenses and applicable VAT/sales taxes, up to the date written notice of cancellation is received. If it should become necessary to cancel the search after the initial 90-day period or if the candidate is employed at less than the estimated total compensation, the full fee will be considered earned.

Off Limits

In view of the global expansion of many of our clients and our firm, and the multi-faceted relationships that result, it is appropriate to restate our long-standing policy not to recruit certain executive level employees from a "client" for a specified period of time. We will not recruit the manager of or direct reports to the President at the University of Iowa for a period of one year following the date we process this letter, unless an exception applies. Exceptions to this policy include instances where this agreement is canceled, a client ceases to exist, does not pay our fee and/or expenses, authorizes an exception, violates this agreement, or has a significant change in ownership with our relationship ending; and client executives who, with the client's knowledge, are seeking other employment opportunities, or who, prior to the date this letter is processed by us, were being recruited.

Quality Survey

Heidrick & Struggles is dedicated to providing quality service to our clients. At the end of each assignment, a quality survey will be sent to you from Sirota Consulting (an independent survey company). In this survey, we will ask you to evaluate our performance on this particular search. We will follow up with you, if so desired, and provide feedback to our consultants where necessary.

As you know, both Nat Sutton and I will have the lead responsibility for this important search. Ted Jadick will also be directly involved. We will also be working closely with others in our firm on the assignment in order to access our various practice areas. My direct line is 404-577-1121 and Nat's is 212-551-0536. Ted's direct line is 212-551-0521. There will be other staff members assisting us who will have active involvement. Renée Beneville will serve as the Executive Assistant for this project and can be reached directly at 404-577-0646.

Acknowledgement

Please indicate your acceptance of the terms and conditions set forth by signing and returning the enclosed copy of this letter as soon as possible. Work will initiate immediately upon receipt of this signed letter.

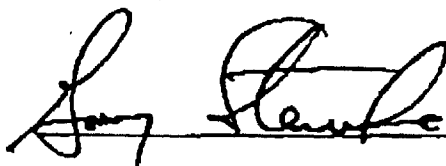
We look forward to working with you and your management team on this search. If you have any questions about this letter, please do not hesitate to contact me directly.

Best regards,

Ellen Brown

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PLEASE ACKNOWLEDGE YOUR RECEIPT AND ACCEPTANCE OF THIS
LETTER BY SIGNING AND RETURNING THE ENCLOSED COPY VIA FAX
AT 404-577-4048



Mr. Gary Steinke
University of Iowa

4-20-06

Date