ADDENDUM I

**UNIVERSITY PHYSICIANS, INC. MEMBER PRACTICE AGREEMENT**

**MEMBER COVENANT NOT TO COMPETE**

**Liquidated Damages for Competition by Member**. Member acknowledges and agrees that UPI and the University have an investment in Member and Member’s practice and that UPI and the University will be economically injured in a material amount in the event Member competes with the business of the University. The parties agree that the damages that may be suffered by UPI and the University in the event Member engages in competition with the University or UPI are difficult to assess and that the liquidated damages amounts provided for in this Agreement constitute a fair and reasonable good faith current estimate of the actual injury likely to be realized by UPI and the University in the event Member competes with the University under the circumstances herein described and that measuring actual injury to UPI and the University would be difficult in these circumstances. Consequently, the parties agree that, if Member’s employment with the University terminates for any reason except if terminated by the University for: 1) lack of resources or program discontinuance, or 2) by exercising any at-will termination rights the University may have, and the Member enters into competition with the University as defined below, Member shall pay to UPI and the University liquidated damages in the amount of \_\_\_\_\_\_\_\_\_\_\_.

For the purposes of this agreement, the terms “competition with the University” or “competes with the business of the University” means for a period of \_\_\_\_\_ years after termination, establish, operate or provide professional medical services, either in his/her own practice or as an independent contractor, partner, shareholder, owner, or agent of a medical practice, clinic, or hospital within a \_\_\_\_\_\_\_\_\_\_\_\_\_ mile radius of the intersection of Colfax and Ursula, Aurora, Colorado or any other facility where the Member regularly provides medical services on behalf of the University.

Member acknowledges and agrees that these terms and conditions are reasonable as to geographic scope, duration and amount, and that the amount of liquidated damages specified above is reasonable, and reflects the actual damages that University and UPI would suffer. Any amounts owed by Member hereunder can be offset by University and UPI against any amounts owed by University and UPI to Member.

The University, with the agreement of UPI, may, in their sole discretion, elect not to enforce this provision. In considering whether to enforce this covenant the University will consider whether its enforcement will result in undue hardship to the Member.

If any provisions of this covenant not to compete relating to time period, scope of activity restricted, or geographic area described herein shall be declared by any court of competent jurisdiction to exceed the time period, scope of activity or geographic area which the court deems to be reasonable and enforceable, then the time period, scope of activity restricted and/or geographic area provided for in this covenant shall be modified and this covenant deemed amended to be that time period, scope of activity and/or geographic area which the court finds is reasonable and enforceable.

Agreed to:

Member:

Signature Date

Print Name

Department Chair:

Signature Date

Print Name

Dean, School of Medicine:

Signature Date

Print Name