



EMPLOYMENT CONTRACT
ADMINISTRATOR

Name: Lovo, Fernando

Contract Type: Multi-Year

Title: Vice President and Director of
Intercollegiate Athletics

Division: Intercollegiate Athletics

This Employment Contract, referred to herein as the "Contract" is entered into between **The Regents of The University of New Mexico ("UNM" or "University")** and **Fernando Lovo ("Mr. Lovo" or "Administrator")**.

WHEREAS the University desires to obtain the benefits of the services of the Administrator, and the Administrator desires to render such services subject to the terms and conditions set forth herein.

IN CONSIDERATION of the promises made between the parties as set forth herein and other good and valuable consideration (the sufficiency and receipt of which are hereby acknowledged) the parties agree as follows:

1. **Position:** Mr. Lovo shall be responsible for all duties assigned by and under the direct supervision of the President of the University ("President"). Mr. Lovo shall devote full-time to the duties and responsibilities of Vice President and Director of Intercollegiate Athletics (VPDIA), including the leadership and direction of all aspects of the University's intercollegiate athletics program; ensuring compliance with all policies and regulations of the University, the National Collegiate Athletic Association ("NCAA") and the Mountain West Conference ("MWC") or to the conference in which the University may participate. During the period of this Contract, Mr. Lovo agrees that he shall at all times faithfully, industriously, and with the best use of his experience, ability, and talent, perform all the duties required pursuant to the terms of this Agreement and the policies of the University. Mr. Lovo further agrees that he shall not engage in any other athletics-related employment, except as specifically approved by the President, or as provided below. Mr. Lovo further agrees that he will not accept other employment which would be inconsistent of his duties and responsibilities under this agreement. The President shall, in her sole direction, determine whether any other employment considered by Mr. Lovo would be inconsistent with those duties and responsibilities.
2. **Term of Contract:** Mr. Lovo is a Contract employee in accordance with University Administrative Policy ("UAP") 3240, as may be modified from time-to-time. The Contract Term shall be for the period **December 1, 2024** through **November 30, 2029** (the "Contract Term"), which constitutes five (5) separate and distinct contract employment years (each a "Contract Employment Year" or collectively the "Contract Employment Years"). Each Contract Employment Year during the Contract Term shall begin on December 1 and end on November 30 of the following year. This agreement may be extended for two (2) additional years at the discretion of the President and following a thirty-six month review to be completed on or near November 1, 2027.
3. **Base Salary and Benefits:** Mr. Lovo's base salary will be **Four Hundred Thousand Dollars and NO/100 (\$400,000.00)** per Contract Employment Year ("Base Salary"). Mr. Lovo will not be entitled to annual increases as provided in University Administrative Policy (UAP) 3500, Wage and Salary Administration, Section 4.1. However, Mr. Lovo's base salary shall be reviewed annually and may be increased, but not decreased, at the discretion of the President. Such annual salary review will be in conjunction with a review of Mr. Lovo's performance by the President. Mr. Lovo understands and agrees that this Contract does not guarantee or entitle him to any annual increases in Base Salary unless otherwise expressly provided in this Section. Employer-paid fringe benefits shall be paid in addition to the Base Salary consistent with University policies, provided, however, that Mr. Lovo may accrue up to 168 hours of paid annual leave but will not be entitled to payment for unused annual leave upon separation from employment as provided in UAP 3400, Annual Leave, Section 7.
4. **Other Compensation:** In addition to the base salary set forth above, Mr. Lovo shall receive from the University the following compensation:
 - a. **Car Donor Program:** At the discretion of the President, if Mr. Lovo is provided a courtesy car, in accordance with the car donor program and in cooperation with local Albuquerque car and truck dealers, the University may provide a courtesy car for Mr. Lovo's personal and business use. Mr. Lovo shall be responsible for obtaining automobile liability insurance in accordance with insurance laws of the State of New Mexico, and

will name the University as a third-party beneficiary of such insurance policies. The University will reimburse Mr. Lovo for the cost of the automobile liability insurance and the fuel costs for the vehicle provided pursuant to this paragraph upon submission of proof of payment by Mr. Lovo and any other supplemental documentation that the University may fairly require to permit such reimbursement. In addition, Mr. Lovo shall comply with all other federal and state laws, National Collegiate Athletic Association (NCAA) rules, University policies, and any other policies or directives of the Athletic Department applicable to the car donor program. Mr. Lovo understands and agrees that the provision of a courtesy car is in the exclusive discretion of the President, and that Mr. Lovo will surrender any courtesy car provided upon request of the President. Mr. Lovo further understands and agrees that any courtesy car provided pursuant to this Section constitutes taxable compensation to Mr. Lovo and that he is solely responsible for the tax consequences associated therewith.

- b. **Travel:** At the President's sole discretion, Mr. Lovo's spouse may be added to the official University travel party for away games or other events. The University will provide for the cost of air travel transportation for Mr. Lovo's spouse when added to the official University travel party. At the President's sole discretion, Mr. Lovo's minor dependent children (together, "Family Members") may be added to the official University travel party for away games or other events. Travel costs for Family Members (including but not limited to costs of transportation, lodging, food and incidentals) shall be at Mr. Lovo's expense, unless determined by the President, in her sole discretion, that funds and logistics allow for the University to provide for any or all of such costs. Mr. Lovo understands and agrees that any value received by him under this provision may be taxable compensation to him, and that Mr. Lovo is solely responsible for the tax consequences associated therewith.
- c. **Country Club Membership:** Mr. Lovo will be provided one (1) family membership to a country club. The Athletics Department agrees to cover the cost of membership fees, and Mr. Lovo agrees to pay for all personal expenses incurred in the use of the membership. Membership as contemplated by this Section includes golf and other privileges provided by the club selected, typically but not always including tennis and pool privileges. Mr. Lovo understands and agrees that the value of this membership may be taxable compensation and that Mr. Lovo is solely responsible for the tax consequences associated therewith.
- d. **Media Participation/Fundraising/Personal Appearances/Advocacy:** The University may enter into agreements with radio and/or television station(s) under which the University will receive revenue subject to conditions and terms negotiated between the University and third parties. Irrespective of the University entering into any Media Agreements during the Contract Term, the University will, in addition to the foregoing amounts, pay to Mr. Lovo the additional sum of **One Hundred Thousand Dollars (\$100,000.00)** per Contract Employment Year in addition to Mr. Lovo's Base Salary, to make personal appearances as a representative of the University and which will otherwise fulfill the obligations of the University with regard to those third-party contacts or other arrangements. Mr. Lovo shall assist the University in obtaining contracts and arrangements as described in this Section, and will not unreasonably withhold or refuse any appearance which is necessary to meet the University's contractual and other obligations under this Section. Mr. Lovo also will represent UNM's best interests in rapidly changing conditions of conference realignment, student athlete name image and likeness issues, and state resource distribution for athletics programs and understands that it is his responsibility to make himself available for speaking, fundraising, advocacy and other personal appearances on behalf of the University and the Athletics Department with regard to these issues and related subjects. Mr. Lovo will not enter into any individual agreements which conflict with the rights of the University as described in this Section. The University will pay the amount described in this Section in twelve (12) approximately equal installments during the Contract Employment Year, as part of Mr. Lovo's monthly compensation but in addition to, not a component of, Mr. Lovo's Base Salary.
- e. **Mobile Phone:** The University agrees to provide a mobile phone and mobile phone plan, including data, with the carrier and phone device to be selected by the University.
- f. **Tickets:** Mr. Lovo may, from time to time, be issued tickets for his personal use to athletics contests or games in which the University participates. Mr. Lovo understands and agrees that any value received by him under this provision may be taxable compensation to him, and that Mr. Lovo is solely responsible for the tax consequences associated therewith.
- g. **Relocation Allowance:** Mr. Lovo is eligible for a relocation allowance to cover costs associated with relocation and temporary housing in accordance with UAP 4020, New Employee Relocation Allowance. Such Relocation Allowance will be a one-time amount of **Fifty-Two Thousand Dollars and No/100 (\$52,000.00)**, paid to Mr. Lovo in Mr. Lovo's regular paycheck upon the successful completion of a Relocation Allowance Request form

to be submitted by the hiring officer. Relocation allowance amounts and the value of any hotel rooms or temporary housing provided at no cost to the Mr. Lovo during the relocation period are reported as taxable income to Mr. Lovo, and applicable withholding taxes will be withheld from payment. Mr. Lovo's year-end tax statement (Form W-2) will include the gross amount of this allowance and all applicable taxes withheld in the calendar year of the payment.

If Mr. Lovo fails to complete the first Contract Employment Year, Mr. Lovo is required to repay a prorated portion of the allowance, proportional to the number of months remaining on the first Contract Employment Year. Mr. Lovo also agrees and understands that reimbursement may be accomplished in whole or in part via deduction from Mr. Lovo's final paycheck as permitted by New Mexico law, Section 50-4-2 NMSA (1978). The amount of the deduction will not exceed the minimum wages to which the Mr. Lovo would be entitled under state and federal law. Mr. Lovo further agrees and understands that if the deduction from Mr. Lovo's final check does not reimburse the University in full for moving expenses paid to Mr. Lovo, Mr. Lovo will reimburse the University the remaining balance within sixty (60) days of the termination date.

All compensatory benefits are subject to compliance with University policies and procedures, the Mountain West Conference (MWC) rules and regulations, and the NCAA policies and procedures.

5. Incentive Compensation: In addition to the compensation set forth above, Mr. Lovo is eligible for incentive payments ("Incentive Compensation") according to the following categories of professional achievement:

- a. Student Athlete Academic Performance Rating (APR)
 - i. Academic Performance Rating (APR) 975 or higher \$5,000
 - ii. Academic Performance Rating (APR) 985 or higher \$7,500
 - iii. A maximum of one incentive payment pursuant to subsection 5.a may be earned per Contract Employment Year.
- b. Student Athlete Academic Performance
 - i. Intercollegiate Athletics Grade Point Average (GPA) 3.2 or Higher \$2,500
 - ii. Intercollegiate Athletics Grade Point Average (GPA) higher than All-UNM Average \$5,000
- c. National Association of Collegiate Directors of Athletics (NACDA) Director's Cup
 - i. Top ranked school in UNM's Conference in NACDA Director's Cup final standings \$7,500
 - ii. NACDA Director's Cup final standings ranking of 75 or better \$5,000
 - iii. NACDA Director's Cup final standings ranking of 50 or better \$7,500
 - iv. NACDA Director's Cup final standings ranking of 25 or better \$10,000
 - v. A maximum of one incentive payment pursuant to subsection 5.c may be earned per Contract Employment Year.
- d. Athletic Achievement
 - i. Football Team Wins Conference Championship Game \$5,000
 - ii. Football Team Wins Regular Season Conference Title \$5,000
 - iii. Football Team Participates in Non-College Football Playoff Bowl Game \$2,500
 - iv. Football Team Participate in College Football Playoff Bowl Game \$10,000
 - v. Men's Basketball Team Wins Regular Season Conference Title \$5,000
 - vi. Men's Basketball Team NCAA Tournament Appearance \$2,500
 - vii. Men's Basketball Team NCAA Tournament Final Four Appearance \$5,000
 - viii. Men's Basketball Team National Champion \$10,000
 - ix. Women's Basketball Team Wins Regular Season Conference Title \$5,000
 - x. Women's Basketball Team NCAA Tournament Appearance \$2,500
 - xi. Women's Basketball Team NCAA Tournament Final Four Appearance \$5,000
 - xii. Women's Basketball Team National Champion \$10,000
 - xiii. Conference Champion in any other sport (other than FB/MBB/WBB) \$5,000
 1. A maximum of one incentive payment pursuant to subsection 5.d.xiii may be earned per Contract Employment Year.
 - xiv. National Champion in any other sport (other than FB/MBB/WBB) \$10,000

e. Fiscal Management

- i. Develop and administer a fiscally responsible budget plan \$5,000
- ii. Achieve revenue generation goal \$5,000
 - 1. At the beginning of each contract year the President will set a goal for self-generated revenue increases, which may include but are not limited to increases fundraising, ticket sales, and/or media revenue.

f. Strategic Personal and Professional Leadership

- i. In addition to those performance measures in Sections 5.a thru 5.e, for each Employment Contract Year, the President, in consultation with the VPDIA, will set performance metrics which will incorporate reasonable obtainable goals that may warrant annual incentive compensation not to exceed **Ten Thousand Dollars and NO/100 (\$10,000.00)**. The goals that will warrant incentive compensation will be documented in writing, signed by the President and acknowledged by the Vice President and Athletics director.

Mr. Lovo will be eligible for Incentive Compensation payments after completing the Contract Employment Year in which the incentive is earned. If earned, Mr. Lovo will be eligible for a maximum incentive payment of **Fifty Thousand Dollars and NO/100 (\$50,000.00)** per Contract Employment Year. Incentive payments, if any, will be paid no later than **ninety (90) days** from the President's determination that the specified criteria have been met. Mr. Lovo understands and agrees that incentive payments, if any, are taxable compensation and that Mr. Lovo is solely responsible for the tax consequences associated therewith.

Mr. Lovo may request that the University pay all or a portion of the Incentive Compensation earned under this Section to one or more Athletics Department employees who have been instrumental in helping obtain this achievement. Mr. Lovo shall inform the President of this request in writing and shall specify what amounts are to be paid to the individuals, respectively. The President may, in her sole discretion, approve, modify or reject Mr. Lovo's request. If approved, the University shall pay the Incentive Compensation earned under this Section as requested by Mr. Lovo.

The Incentive Compensation contemplated by this section are contingent upon sufficient appropriations being available to fund them. In the event that, in any Contract Employment Year the legislature of the state of New Mexico reduces its appropriation to the University or to the Athletic Department, below the current level as of the effective date of this Contract, Incentive Compensation shall be paid in the reasonable discretion of the President.

6. Conduct of Athletics Personnel/Coaches: Mr. Lovo, hired to administer all facets of the University's intercollegiate athletics department, shall act with honesty and sportsmanship at all times in promoting the honor and dignity of fair play in the context of the high standards associated with collegiate competitive sports. Mr. Lovo understands and agrees that honesty and sportsmanship at all times, and the promotion of the honor and dignity of fair play in the context of the high standards associated with collegiate competitive sports, are material to this Contract, and that any conduct that undermines these values may be grounds for discipline, which can include termination for cause in accordance with Section 10. Mr. Lovo understands and agrees that it is essential that he and all athletics personnel/coaches take reasonable steps to maintain the physical and mental well-being and safety of all student athletes.

Mr. Lovo acknowledges that negative statements concerning the Athletics Department, the University, and the State of New Mexico made to the media or in public may be detrimental to recruiting, fundraising, and the morale of coaches, staff and student athletes and the reputation of the University. Therefore, Mr. Lovo agrees that he is highly encouraged, whenever appropriate and in a timely manner, to first direct any complaint or criticism that Mr. Lovo may have of a particular University Sports Program, the Athletics Department or the University to the President before directing the complaint or criticism to anyone else. This shall not prohibit Mr. Lovo from making communications protected by whistleblower laws. Further, Mr. Lovo shall make reasonable efforts to project a positive image with respect to the University, Athletics Department, and Sport Program. Any conduct that disparages the Sport Program, Athletics Department or the University may be grounds for discipline, which can include termination for cause in accordance with Section 10.

Mr. Lovo shall not engage in activities or conduct injurious to the reputation of the University, including without limitation, repeatedly conveying to one person, or conveying to an assembled public group, negative information concerning the University.

7. **Unethical Conduct:** Mr. Lovo will refrain from unethical conduct. Unethical conduct may include, but is not limited to, the following examples of misconduct:

- a. Refusal to furnish information relevant to an investigation of a possible violation of an NCAA regulation when requested to do so by the NCAA or the University;
- b. Involvement in arranging for fraudulent academic credit or false transcripts for a prospective or an enrolled student-athlete;
- c. Involvement in offering or providing a prospective or an enrolled student-athlete an improper inducement or extra benefit or improper financial aid;
- d. Furnishing the NCAA or the University false or misleading information concerning Mr. Lovo's involvement in or knowledge of matters relevant to a possible violation of an NCAA regulation;
- e. Receipt of benefits by Mr. Lovo for facilitation or arranging a meeting between a student-athlete and an agent, financial advisor, or a representative of an agent or advisor (e.g., "runner") in a manner inconsistent with NCAA, MWC, or UNM rules or policies;
- f. Refusal to furnish information relevant to an investigation of a possible violation of federal or state law or University policy when requested to do so by lawfully authorized federal or state agents or University officials or when otherwise required to report under University policy; or
- g. Refusal to comply with regulatory or policy requirements, including but not limited to the reporting requirements imposed by the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the "Clery Act"), Title IX of the Education Amendments of 1972, and any and all University policies relating thereto.

Mr. Lovo's agreement to refrain from unethical conduct is a material term of Mr. Lovo's employment and this Contract. Mr. Lovo expressly understands and acknowledges that unethical conduct is sufficient justification for **Termination of Contract for Cause** as described in Section 10.

8. **Compliance With Laws, Policies, Rules and Regulations:** Mr. Lovo shall be responsible for being fully knowledgeable of, and being in full compliance with, the policies, rules, and regulations of the University, the MWC, or any other conference with which the University may elect to affiliate, the NCAA (as they are currently in force and as they are amended from time to time), as well as applicable federal laws, including but not limited to the Clery Act; Title IX of the Education Amendments of 1972; applicable New Mexico laws; and University policies regarding crime reporting and sexual harassment, including, but not limited to sexual harassment, sexual misconduct, and sexual violence. Mr. Lovo shall immediately report any apparent or confirmed violations of the above laws, policies, rules, and regulations occurring in the department to the university's compliance staff or UNM's Division of Human Resources, as well as other University official/departments as may be required by University policy. Upon receiving any information about a person who has experienced sexual misconduct, harassment, sexual assault or other sexual violence, Mr. Lovo shall also report the information to UNM's Office of Compliance, Ethics and Equal Opportunity (CEEO) within 24 hours, or as soon as reasonably practicable, by calling CEEO at 505-277-5251 or by email at oeounm@unm.edu. Failure by Mr. Lovo to report immediately to the University's athletics compliance staff and, as appropriate other responsible University official/department, any alleged violations of University, MWC or NCAA policies, rules or regulations by Mr. Lovo or, upon becoming aware of violations by any coaches, staff members, student-athletes, or other persons under Mr. Lovo's supervision that become known to Mr. Lovo, which failure, in the reasonable opinion of the President (i) creates material risk for the University or Program or (ii) negatively affects the University or the Program in a material manner, shall subject Mr. Lovo to disciplinary or corrective action as set forth in the NCAA enforcement procedure. Such failure to report shall also subject Mr. Lovo to immediate suspension, at the University's sole discretion, for a period of time without pay, or termination as described in Section 10.

If the University determines that Mr. Lovo is in violation of MWC or NCAA rules and regulations while employed by the University, or was in violation of NCAA or conference rules and regulations during prior employment at another NCAA member institution, Mr. Lovo shall be subject to disciplinary or corrective action as set forth in the NCAA enforcement procedure and may be suspended by the University at the University's sole discretion for a period of time without pay, or terminated as described in Section 10. If Mr. Lovo fails to meet his obligations as stated in this Section or fails to

complete any University-required training within six (6) months of the Effective Date of Mr. Lovo's employment, or otherwise fails or refuses to meet his obligations under any law, regulation, policy or procedure, Mr. Lovo may be subject to disciplinary action up to and including suspension and/or termination as described in Section 10.

Mr. Lovo specifically acknowledges and agrees that his compliance with applicable laws, policies, rules, and regulations are material obligations of this Contract.

9. Non-Applicability of University Employment Policies and Due Process Guarantees: This Contract creates no expectancy of or property interest in continued employment with the University. Accordingly, no provisions of the University Administrative Policy manual (UAP) addressing or governing separation of employment, discipline and contract employees generally are applicable to Mr. Lovo. No due process guarantees relating to progressive discipline, suspension, discharge, and appeal processes are accorded to Mr. Lovo under this Contract. All rights, processes and notices afforded to Mr. Lovo or required from him are specifically enumerated under sections 10, 11 and 12 of this Contract.

10. Termination of Contract for Cause: The University reserves the right to immediately terminate this Contract for cause at any time. Cause includes, but is not limited to, violation of any material obligation of Mr. Lovo under this Contract or any amendments hereto. In addition to a material breach of this Contract, the parties agree that the following non-exclusive list constitutes cause for termination under this Section. Notwithstanding the foregoing and the following, University acknowledges and agrees that it is not the intent of the University for this Contract to be terminated for Cause for minor, technical, or otherwise immaterial defaults or insignificant violations that do not entail the risk of damage to the University's reputation, regulatory, monetary or other civil damages to the University or criminal or institutional penalties. Moreover, where appropriate, prior to invoking its right to terminate this Contract for Cause, University agrees that it shall afford Mr. Lovo with a reasonable opportunity to cure a default in a timely manner, provided such default is of a nature that is capable of being cured, as determined in University's discretion.

- a. insubordination;
- b. neglect of, or failure or refusal to perform, his duties as VPDIA in any material respect after receiving written notice of such failure or refusal from the President;
- c. malfeasance;
- d. failure to comport himself in a manner consistent with good sportsmanship or the moral, ethical or academic standards specified in this Contract or in University policies and regulations;
- e. a determination by the President, the Mountain West Conference, or the NCAA that: i) Mr. Lovo or any other person under Mr. Lovo's supervision, direction or control (regardless of whether or not a final determination has been made by the appropriate body with respect to the conduct constituting such violation) has committed a Level I or Level II Violation or repeated Level III violations of NCAA rules, or violation of Mountain West Conference rules, or University rules, regulations or policies as are in place now or that may as may be adopted or amended during the Term, unless Mr. Lovo can clearly and affirmatively demonstrate that Mr. Lovo promoted an atmosphere of compliance and monitored Mr. Lovo's staff in the specific subject matter areas in which the violation(s) occurred and that Mr. Lovo was neither aware nor complicit in the commission of the violation(s), or, ii) Mr. Lovo has failed to cooperate fully in any NCAA, Mountain West or University infractions process;
- f. failure to promote an atmosphere of compliance or failure to properly and effectively monitor personnel under his supervision and direction which results in material non-compliance by those personnel, with applicable standards or regulations of the MWC or the NCAA, federal or state law, or University rules, regulations, or policies, as amended from time to time, regardless of whether such violation results in the imposition of sanctions or other consequences;
- g. instruction to any head coach, assistant coach, staff, student or other person to respond inaccurately or incompletely to any request or inquiry concerning a matter relevant to University's athletic programs or other institution of higher learning which shall be propounded by University, the NCAA, the MWC or other governing body having supervision over the athletic programs of University or such other institution of higher learning, or required by law;

- h. failure to fully cooperate in the enforcement and implementation of any drug testing and/or education program established by the University, the MWC, the NCAA, or pursuant to federal or state law that is applicable to student athletes or other employees of the University;
- i. pleading no contest to, being convicted of or pleading guilty to (i) any felony; or, (ii) any misdemeanor involving gambling, drugs or alcohol;
- j. engaging in conduct which either (i) displays a continual, serious disrespect or continual, serious disregard for the mission of the University, (ii) Mr. Lovo disrepute or (iii) constitutes moral turpitude or breaches the moral and ethical standards applicable to Mr. Lovo as a visible representative of the University;
- k. violation of policies, rules, or regulations of the University; infractions of the MWC or NCAA rules (including any similar infraction which may have occurred at Lovo's prior employment); violations of New Mexico or federal laws, regulations, or policies;
- l. misconduct, whether or not relating to Mr. Lovo's employment, which is not in the best interest of the University or which violates the University's mission, interests, policies, or regulations, and which causes damage to the reputation or dignity of the University or its athletics program;
- m. participation in any (i) gambling, bookmaking, wagering, or betting involving any athletic contest whatsoever wither by soliciting, placing or accepting a bet or wager or through a bookmaker, a pool, or any other method of gambling; or (ii) counseling, instructing, encouraging, or knowingly and intentionally permitting any student-athlete, assistant coach, or other individual under or subject to Mr. Lovo's control, authority, or supervision to participate in such activity;
- n. failure to report within 48 hours to the President in writing any violations or potential violations known to Mr. Lovo of NCAA bylaws, New Mexico or Federal law, or University policy including, but not limited to, those by Mr. Lovo, head coaches, assistant coaches, staff, student athletes or other persons under the direct control or supervision of Mr. Lovo;
- o. conduct injurious to the University's Intercollegiate Athletics Program or the University;
- p. conduct that violates University policy.

If this Contract is terminated for cause, the University shall have no further liability except for base salary, media participation and fringe benefits earned to the date of termination.

Nothing in this Section shall prevent, limit or otherwise interfere with the University's right to terminate the services of the Mr. Lovo without cause at any time subject to the provisions of Section 12 herein. This Section creates no expectancy of or property interest in continued employment and no University Administrative Policy addressing or governing progressive discipline, discharge or the appeal process for discharge shall be applicable to Mr. Lovo.

In the event the President, in her sole discretion, determines that cause exists to terminate Mr. Lovo, but that doing so would not be in the best interest of the University, the President may implement other, lesser disciplinary measures including, without limitation, suspension with or without pay. This provision does not in any way alter the parties' agreement that no provisions of the University Administrative Policy manual addressing or governing separation of employment, discipline or contract employees generally are applicable to Mr. Lovo or that no due process guarantees relating to progressive discipline, suspension, discharge, and appeal processes are accorded to Mr. Lovo under this Contract.

11. Termination by Request of Administrator: Mr. Lovo may terminate this Contract at any time upon ten (10) working days written notice to the President. In the event that Mr. Lovo terminates this Contract pursuant to this Section, the University shall have no further liability except for base salary, media participation and fringe benefits earned to the date of termination.

Mr. Lovo understands and agrees that termination of this Contract pursuant to this Section prior to the expiration of the Contract Term will cause irreparable harm to the reputation and athletic programs of the University in an amount not capable of precise calculation or quantification. Therefore, if Mr. Lovo terminates this Contract during the Contract Term, Mr. Lovo agrees to pay to the University as liquidated damages, and not as a penalty, **fifty percent (50%)** of

his base salary for the remainder of the Contract Term, within **ninety (90) days** of such termination. Liquidated damages may be modified to a lesser amount at the discretion of the President.

Pursuant to this Section, any sum of liquidated damages shall be paid in full to the University within ninety (90) days of termination. Failure to pay the full sum of liquidated damages shall constitute a material and actionable breach of this Contract. The liquidated damages shall be the University's sole and exclusive quantification and limitation of Mr. Lovo's damages owed to the University pursuant to this Section and the University shall seek no other remedies or damages whatsoever against Mr. Lovo related to his termination of this Contract.

12. Termination by Request of University: The University may voluntarily terminate this Contract at any time by giving Mr. Lovo a minimum ten (10) working days written notice. Notwithstanding any terms or provisions of this Contract or that may be found in University policy regarding employment that may be interpreted to the contrary, or unless otherwise specifically agreed to in writing, Mr. Lovo's employment relationship with the University shall terminate upon delivery of the notice of termination or as otherwise set forth in the notice of termination.

- a. **Severance:** In the event of termination of this Contract by the University other than for cause as defined in Section 10, the University agrees to pay, and Mr. Lovo agrees to accept, as severance, the payment of fifty percent (50%) of his base salary for the remainder of the Contract Term. The sum described in this Section shall be deemed a severance payment to Mr. Lovo and shall be paid in approximately equal monthly payments to Mr. Lovo over the greater of twenty-four (24) months or the number of months remaining in the Contract Term at the time of termination, on or about the last day of each month following termination, with New Mexico and federal tax withholdings associated with the payment of salary withheld, until paid. Mr. Lovo understands and agrees that there will be no retirement withholding or contribution on the severance payments described in this Section, and that no benefits of any kind will accrue to Mr. Lovo as a result of such payment. Mr. Lovo agrees that as a condition of receiving any severance payments under this Section, except for any earned but unpaid compensation to the date of termination and any legally protected rights Mr. Lovo has under any employee benefit plan, Mr. Lovo must agree to not disparage the University and must execute a comprehensive release in a form to be determined by the University, in its sole discretion (the "Release"). Severance payments will not commence until Mr. Lovo has fully executed the Release.
- b. **Mitigation/Offset:** Mr. Lovo agrees that the University's obligation to make payments under this Section shall be subject to Mr. Lovo's obligation to mitigate his damages by immediately making reasonable, good faith and diligent efforts to obtain other employment. Should Mr. Lovo obtain athletics-related employment, including employment as a media consultant, on-air personality or analyst, the University's financial obligations under this Section shall cease so long as Mr. Lovo's monthly base compensation from such employment, but excluding reasonable and usual non-monetary fringe benefits such as health and life insurance, club memberships and use of vehicles ("Monthly Compensation"), is equal to or greater than the University's obligation to pay severance under Section 12.a, prorated on a monthly basis. If Mr. Lovo's Monthly Compensation from such employment is less than the University's monthly obligation to pay severance under Section 12.a, the amount of the University's obligation to pay severance shall be reduced by the amount of Mr. Lovo's Monthly Compensation from such employment.
- c. **Notice:** Mr. Lovo shall promptly, but no less than thirty (30) days from acceptance of other employment, notify the President in writing of such employment and the total compensation to be paid to Mr. Lovo for the employment. In addition, Mr. Lovo agrees to provide the University with a copy of Mr. Lovo's W-2 form for each calendar year as long as the University has the obligation to make severance payments under this Section.

Except as otherwise expressly provided in this Section, all rights and obligations due from each party to the other under this Contract shall cease upon the effective date of termination as set forth in the notice required by this Section. Additionally, no notice from the University shall be required for the Contract to expire by its terms on **November 30, 2029**, and there exists no expectancy of renewal of this Contract.

13. Termination by Disability or Death: It is expressly understood and agreed that this is a personal service agreement between the parties and that in the event of the incapacity of Mr. Lovo to the degree that he is rendered incapable of performing the obligations and duties contained in this Contract for a period of more than ninety (90) consecutive days, as certified by two (2) physicians selected or approved by the University, or his untimely demise, this Contract shall

terminate and the University shall have no further financial or other obligation whosoever hereunder except to pay Mr. Lovo his Base Salary and benefits accrued to the date of termination.

- 14. Availability of Funds:** This Contract is subject and subordinate to a determination by the Board of Regents of the University of New Mexico as to the availability of funds for the support of the intercollegiate athletics program. In the event such funds are determined to be insufficient by the Board of Regents, this Contract shall also be terminated at the end of the fiscal year in which such a finding is made. Upon such termination, all rights and obligations due from each party to the other under the provisions of this Contract shall cease for lack of funds.
- 15. Complete Employment Contract:** This Employment Contract and any Exhibits attached hereto and incorporated herein by reference, constitute the final and complete agreement between the parties. Any amendments or further addenda, hereafter agreed to by both parties, shall be in writing and executed with the same formality. All prior and contemporaneous negotiations and agreements pertaining to Mr. Lovo's employment by the University are deemed incorporated into this Contract and such documents and instruments are deemed to have been abandoned if not so incorporated. No verbal understandings, statements, promises, or inducements contrary to the terms of this Contract exist.
- 16. Severability:** If any provision of this Contract is held to be invalid or unenforceable for any reason, such provision shall be ineffective to the extent of such invalidity or unenforceability; provided, however, that the remaining provisions will continue in full force without being impaired or invalidated in any way unless such invalid or unenforceable provision or clause shall be so significant as to materially affect the Parties' expectations regarding this Contract. The Parties shall replace any invalid or unenforceable provision with a valid provision which most closely approximates the intent and economic effect of the invalid or unenforceable provision.
- 17. Governing Law and Forum:** This Contract, and any other amendments, shall be governed by and construed in accordance with the laws of the State of New Mexico and the policies and procedures of The University of New Mexico Board of Regents.
- 18. Waiver:** No waiver by either party of any rights under this Contract will be valid unless set forth in a writing signed by that party. The failure of either party to insist upon strict performance of this Contract shall not be construed as a waiver of any of the party's other rights under the Contract.
- 19. Captions:** The captions used herein are for convenience only and do not in any way limit or amplify the terms and provisions hereof.
- 20. Mandatory Binding Arbitration:** The Parties agree to submit to binding arbitration any claims that they may have against each other, of any nature whatsoever, other than those prohibited by law, pursuant to the New Mexico Uniform Arbitration Act.

IN WITNESS HEREOF this Employment Contract has been duly executed by the parties hereto on the respective dates appearing below each party signature.

THE REGENTS OF THE UNVIVERSITY OF NEW MEXICO

Garnett S. Stokes
Garnett S. Stokes (Feb 26, 2025 11:39 MST)

Garnett S. Stokes
President

02/26/2025

Date

Fernando Lovo
Fernando Lovo (Feb 26, 2025 09:22 MST)

Fernando Lovo, II
Vice President and Director of Intercollegiate Athletics

02/26/2025

Date