



**March 29, 2025**

**Eric Olen**

RE: Memorandum of Understanding Offer  
Head Men's Basketball Coach - University of New Mexico

It is with great pleasure that I offer you the position of Head Men's Basketball Coach for the University of New Mexico ("University"). You shall report to the Vice President and Director of Athletics ("Director of Athletics"). This Memorandum of Understanding ("MOU"), which presents the material terms of our offer, will govern the employment relationship between you and the University. These terms and conditions, along with those other terms which are customary in similarly-situated employment contracts with Head Basketball Coaches at Division I institutions, shall be incorporated into a formal employment contract with the University for execution at the earliest possible date. Such formal employment contract shall be subject to approval by the President of the University and shall supersede this Memorandum of Understanding.

Your acceptance of this offer will constitute a binding agreement between you and the University. Your employment will be for a term of five (5) years, effective as of March 30, 2025 ("Effective Date"), and ending on the later of March 31, 2030, or the team's last game of the 2029-2030 season ("Term"). For purposes of this agreement, "Contract Year" shall be the period from April 1 to March 31, except Contract Year One which shall be defined as March 30, 2025 to March 31, 2026 and Contract Year Five which shall be the period from April 1, 2029 through the latter of March 31, 2030 or the team's last game of the 2029-30 season.

Your compensation as Head Men's Basketball Coach will be the following:

- Annual guaranteed compensation (Base Salary, Media Compensation, and Program Promotion Compensation) of:
  - Contract Year One: \$1,200,000
  - Contract Year Two: \$1,250,000
  - Contract Year Three: \$1,300,000
  - Contract Year Four: \$1,350,000
  - Contract Year Five: \$1,400,000
- Incentive compensation for achieving athletic performance goals as follows:
  - Mountain West Coach of the Year (solo or shared) \$25,000
  - Naismith National Coach of the Year \$50,000
  - Mountain West Regular Season Championship (solo or shared) \$25,000
  - Mountain West Tournament Championship \$25,000
  - NCAA Tournament At Large Bid \$25,000
  - NCAA Tournament First Four Win \$25,000
  - NCAA Tournament Win (Round of 64, 32, 16, 8, 4) \$50,000 per win
  - NCAA National Championship Win \$150,000
  - Top 25 Finish in Final AP Poll \$25,000
  - 20 Season Wins with a KenPom Minimum of Top 50 \$25,000
  - 20 Season Wins with a KenPom Minimum of Top 25 \$50,000
- Full standard benefits on the same or similar terms as provided by the University to professional employees, consistent with applicable University practices, policies and procedures, with contributions and benefit amount based upon the base salary where relevant.

- A moving allowance of \$30,000 for your household moving expenses in accordance with University policy, repayable in the event of termination within the first contract employment year by you, or termination for cause within the first contract employment year by the University. The moving allowance shall be awarded in your first paycheck from the University, subject to typical tax withholdings. You shall also receive up to 45 days of temporary housing, at the discretion of the Director of Athletics and consistent with applicable university policies and procedures.
- A courtesy vehicle (determined at the University's discretion) will be provided by the University, subject to typical tax withholdings.
- Family Club membership at one or more local Country Clubs will be provided, subject to typical tax withholdings.
- Coach's spouse or domestic partner (as described in UAP 3790, Domestic Partners) and minor dependent children may be added to the official University travel party to regular season away and post-season games within the continental United States and any other Mountain West Conference location at the Director of Athletics' exclusive discretion and subject to availability of funds. Coach understands and agrees that the value of this benefit likely is taxable compensation to Coach, and that Coach is solely responsible for the tax consequences associated therewith.
- Tickets to home games for Football, Men's Basketball, and other sports requested by the Coach and approved by the Director of Athletics, subject to typical tax withholdings.

Among other terms, your employment contract will include the following:

- You shall be prohibited from receiving benefits or compensation other than as described above from any other source without prior written approval by the Director of Athletics.
- If you terminate the contract, or if the contract is terminated for cause, the University will pay any earned and accrued annual compensation but shall not be liable for any payments or benefits after the date of termination.
- If you or the men's basketball program are found by the University to have violated NCAA rules and/or regulations resulting in a Level I or Level II violation, whether while employed by the University or prior to employment by the University, or to have failed to report a violation that you know about, or to have failed to prevent or stop a violation that you knew about, you shall be subject to disciplinary or corrective action including termination of employment for cause.
- Coach shall warrant and represent that Coach has fully disclosed to the Director of Athletics: (i) any and all past or ongoing investigation of, or legal or administrative proceedings related to, any misconduct or alleged violation of law or NCAA rule in which Coach has been involved directly or indirectly as a party, a witness, or in some other capacity; (ii) any lawsuits or legal proceedings of any nature filed or brought against Coach in his official capacity or personal capacity arising out of any of Coach's prior employment relationships; and (iii) any and all past or pending criminal charges against Coach regardless of disposition.
- The same University provision for termination for cause as set forth in the employment contract of the previous Head Coach.
- **Termination by Request of University:** The University may terminate this Contract/MOU at any time by giving Coach written or verbal 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, Coach's employment relationship with the University as Head Men's Basketball Coach shall terminate upon delivery of the notice of termination or as otherwise set forth in the notice of termination.

**Severance:** In the event of termination of this Contract by the University other than for cause, the University agrees to pay, and Coach agrees to accept, as severance, the below based upon the year of termination:

Contract Year One: 100% of total remaining Base Salary, Media Compensation, and Program Compensation due to Coach from the date of termination through the otherwise unexpired Term

Contract Year Two: 100% of total remaining Base Salary, Media Compensation, and Program Compensation due to Coach from the date of termination through the otherwise unexpired Term

Contract Year Three: 75% of total remaining Base Salary, Media Compensation, and Program Compensation due to Coach from the date of termination through the otherwise unexpired Term

Contract Year Four: 75% of total remaining Base Salary, Media Compensation, and Program Compensation due to Coach from the date of termination through the otherwise unexpired Term

Contract Year Five: Remaining Base Salary, Media Compensation, and Program Compensation due to Coach from the date of termination through the otherwise unexpired Term

The applicable liquidated damages formulas described in this Section shall be deemed a severance payment to Coach and shall be paid in approximately equal monthly payments to Coach over the lesser of thirty-six (36) months or the number of months remaining in the Contract Term at the time of termination, on the last day of each month following termination, with New Mexico and federal tax withholdings associated with the payment of salary withheld, until paid.

**Mitigation/Offset:** Coach agrees that the University's obligation to make payments under this Section shall be subject to Coach's obligation to mitigate his damages by making reasonable, good faith and diligent efforts to obtain other basketball-related employment. Should Coach obtain employment, the University's financial obligations under this Section shall cease so long as Coach's monthly compensation from such employment, including base salary, media compensation, program promotion, and bonuses and incentive salary actually earned or received, 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 this Section, prorated on a monthly basis. If Coach's Monthly Compensation from such employment is less than the University's monthly obligation to pay severance under this Section, the amount of the University's obligation to pay severance shall be reduced, dollar for dollar, by the amount of Coach's Monthly Compensation from such employment. Any amount received in mitigation of damages by Coach that acts as an offset against the amount paid by the University shall apply retroactively.

- **Termination by Request of Coach:** Coach may terminate this Contract at any time upon written notice to the Director of Athletics. In the event that Coach terminates this Contract pursuant to this Section, the University shall have no further liability except for Base Salary, Media Compensation, Program Compensation, Incentive Compensation, and benefits accrued to the date of termination.

Coach 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 athletic programs of the University in an uncertain amount not susceptible to precise calculation or quantification. Therefore, if Coach terminates this Contract to accept another position, he agrees to pay (or cause to be paid), and the University agrees to accept, as liquidated damages and not as a penalty, the sums stated below, based upon the year of termination:

Contract Year One:	\$2,650,000
Contract Year Two:	\$2,025,000
Contract Year Three:	\$1,100,000
Contract Year Four:	\$560,000
Contract Year Five:	\$0

The payments contemplated by this provision shall be made in approximately equal monthly installments to university over the greater of thirty-six (36) months or the number of months remaining in the Term at the time of termination, beginning on or about the last day of the month following termination until paid in full.

In addition to the liquidated damages payment set forth in this section, in the event that Coach terminates the Agreement in order to accept a head coaching position at any NCAA Division 1 school, Coach shall cause such institution, as a condition of employment, to provide a two-year home and home basketball series between such institution and the University, and to schedule the home and home series to commence at the University's venue within three years of Coach's resignation from University. The institution shall have the right to forego this

requirement in lieu of a payment to University of \$250,000. In the event the University is unable to schedule such games or is unwilling to do so, the Coach's obligation under this paragraph shall be deemed to have been fulfilled.

- The University shall be responsible for the buyout payment of \$150,000 to Coach's prior employer, and agrees that such amount shall be treated as a business expense and shall not be considered compensation. The University acknowledges such payment is necessary to obtain the services of Coach, and therefore substantially benefits the University. The University further acknowledges that the requirements of its accountable plan have or shall be satisfied with respect to the expense. Should the expense be determined to be non-qualified under UNM's accountable plan, or determined to be taxable compensation to Coach, University shall timely neutralize the tax impact to Coach, resulting from the University's payment of the Expense, in an amount not to exceed \$200,000 (inclusive of the \$150,000 buyout payment). In this event, Coach agrees that he shall be solely responsible for any tax-related penalties arising from this transaction. Coach represents that he will treat this payment as a reimbursable business expense for the purposes of his tax obligations. Coach acknowledges that the University has not provided any legal or other advice regarding the tax implications of this payment.
- As an employee of the University, the head coach will be subject to all policies and provisions of the University of New Mexico employee policy manual, provided, however, that no provisions of the University Administrative Policy manual (UAP) addressing or governing separation of employment, discipline or contract employees generally shall apply to your contract and no due process guarantees relating to progressive discipline, suspension, discharge, and appeal processes are accorded to you.

Both parties agree that an electronic signature of a party, whether digital or encrypted, included in this MOU is intended to authenticate this writing and to have the same force and effect as a manual signature. Delivery of a copy of this MOU bearing an original or electronic signature by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

While these terms are contingent upon our executing an employment contract, I trust that every reasonable effort will be made to mutually conclude that process as expeditiously as possible. However, this Memorandum of Understanding will serve as the contract until a formal contract is signed. It is understood and agreed that the employment contract will supersede these terms and conditions.

It is with great anticipation and enthusiasm that I offer you the position of Head Men's Basketball Coach at the University of New Mexico. Assuming that you are amendable, please indicate your acceptance by signing below. I have every confidence that you will lead our men's basketball program with integrity and pride, and I look forward to welcoming you as a member of the Lobo family.

Sincerely,

Fernando Lovo

Fernando Lovo (Mar 30, 2025 09:14 MDT)

Fernando Lovo  
Vice President and Director of Athletics  
University of New Mexico

Garnett S. Stokes

Garnett S. Stokes (Mar 30, 2025 09:27 MDT)

Dr. Garnett S. Stokes  
President  
University of New Mexico

Signed by:

Eric Olen

Accepted:  
Eric Olen

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Date: 3/29/2025