**Sample Addendum to Uniform Player Contract.**

**FIRST ADDENDUM**

**TO**

**UNIFORM PLAYER CONTRACT**

(Rookie or Veteran -- Two or More Seasons)

This Amendment is executed contemporaneously with, attached and annexed to, incorporated in, and constitutes a part of that certain Uniform Player contract (the "Contract") executed contemporaneously herewith between\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (the "Club"), a member of the National Basketball Association (the "Association"), and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the "Player"). The Club and the Player agree that the provisions, terms, covenants, conditions, and agreements set forth in this First Addendum shall supersede, control, and govern with respect to any contrary or conflicting provisions, terms, covenants, conditions, and agreements set forth in the body of the Contract. With reference to the subject matter of the Contract, the Club and the Player agree as follows:

1. Terms of Contract.

The term of the Contract is approximately forty-six (46) months, commencing as of the date hereof and ending August 31, 1991. The term of the Contract covers four (4) of the Association's basketball seasons (the "Seasons"), namely the 1987-88 Season, the 1988- 89 Season, the 1989-90 Season, and the 1990-91 Season.

2. Compensation.

Except as otherwise provided in the Contract and this First Addendum, the Club agrees to pay the Player, and the Player agrees to accept from the Club, for the Player's services described in the Contract and in this First Addendum, the following amounts (the "Compensation") for and with respect to each Season covered by the term of the Contract, as follows:

| Season | Compensation |
| --- | --- |
| 1987-88 Season | $ 835,000.00 |
| 1988-89 Season | $1,100,000.00 |
| 1989-90 Season | $1,115,000.00 |
| 1990-91 Season | $1,150,000.00 |

The corporation for and attributable to the Seasons shall be payable as provided in Paragraph 4 of this First Addendum.

3. Effect of Termination by the Club.

A. Notwithstanding the provisions of the Contract including, without limitation, paragraphs 6(a), 6(b), 20(b)(2), 20(c), 20(d), 20(e), and 20(g), the termination of the Contract by the Club:

(i) on account of the Player's failure to exhibit sufficient skill or competitive ability, or

(ii) on account of physical injury, illness, or disability suffered or sustained by the Player, or

(iii) on account of the Player's failure to render his services hereunder, if such failure to render his services hereunder, if such failure has been caused by the Player's death (provided that, at the time of such failure, the Player is not in material breach of the Contract or this First Addendum),

shall in no way affect the Player's right to receive payment of the Compensation in the amount set forth in Paragraph 2 of this First Addendum and payable as provided in Paragraph 4 of this First Addendum provided, however, that such death, or such failure to exhibit sufficient skill or competitive ability, or such injury, illness, or disability does not result in whole or in part from, or from the Player's participation or involvement in, any of the following:

(1) Any activity prohibited by paragraph 17 of the Contract;

(2) Any other activity which a reasonable person would recognize as involving or exposing an individual to an unusual hazard, danger, or risk of bodily injury such as, by way of example and not in limitation, snow skiing, surfboarding, skate- boarding, roller skating, rock and/or mountain climbing (as distinguished from hiking), rappelling, white-water rafting, platform diving, scuba diving, trampoline, rodeo events, ballooning, and martial arts, other than in a martial arts training program providing qualified instruction and adequate supervision approved in advance in writing by the Club in the exercise of its reasonable judgment;

(3) Military activities or operations are invasion, civil war, insurrection, civil commotion, riot, or mob violence of any kind;

(4) Intentional self-injury or attempted suicide (while either mentally competent or incompetent);

(5) Dueling;

(6) Fighting, except fighting in self-defense, defense of family, or during the course of any basketball game played by the Club's team while the Player is on the Club's Active List and is in uniform and available to participate in such basketball game;

(7) Any assault instituted by the Player or provoked by the Player's unreasonable conduct;

(8) Amateur or professional boxing or sparring;

(9) Deliberate exposure of the Player to exceptional danger (except in an act to save human life) or bodily injury, illness, or disability occasioned or occurring while the Player is in a state of insanity of incompetence, temporary or otherwise;

(10) The Player operating or learning to operate an aircraft of any nature whatever;

(11) An accident occurring in consequent of the Player being in or riding as a passenger or otherwise in any aircraft, vehicle or device for aerial navigation except (i) as a passenger on a scheduled commercial aircraft bearing a current or valid Airworthiness Certificate issued by the Federal Aviation Agency of the United States of America or its foreign equivalent in the country of its registry and operated by an established concern organized to operate scheduled commercial airline passenger service and licensed for the carriage of passengers, or (ii) as a passenger on an unscheduled aircraft chartered by the Club;

(12) The Player driving or riding in or on a motorcycle or any other motor power 2- or 3-wheeled vehicle or speedboat;

(13) Horseback riding;

(14) The Player riding in or on any vehicle or conveyance, whether on land, in the air, or on or under water in any kind of race, competition, or contest measured by, involving or entailing speed and/or the passage of time;

(15) Any activity excluded or prohibited by or under any insurance policy which the Club procures insuring against injury, illness, or disability to or of the Player, provided, however, the Club has first notified the Player in writing of such excluded or prohibited activity.

B. Notwithstanding any other provisions of the Contract or this First Addendum, the Player acknowledges and agrees that each and all of the following activities, circumstances, occurrences, and events shall be and constitute a basis and reason for which the Club, in its sole and absolute discretion, shall be entitled to terminate the Contract by reason of or on or account of the Player's failure, refusal, or neglect to conform his personal conduct to standards of good citizenship, and good moral character and good sportsmanship, to keep himself in first-class physical condition, and/or to obey the Club's training rules;

(1) The Player's conviction of, entry of a plea of guilty, or *nolo contendere* with respect to or other acknowledgment of having committed or performed any crime which constitutes or is punishable as a felony; or

(2) The Player's failure to comply with, adhere to, or abide by the policy adopted by the Association pertaining to the use and abuse of narcotic, harmful, dangerous or unlawful drugs and substances, or any amendments, modifications or replacements of said policy which previously have been or hereafter may be adopted by the Association, all of which the Player hereby agrees he shall observe, comply with, adhere to, and abide by during the entire term of the Contract.

The Player further acknowledges and agrees that in the event the Club, in its sole and absolute discretion, elects to terminate the Contract by reason of or on account of any activity, circumstance, occurrence, or event hereinabove described in this Paragraph B, such activity, circumstance, occurrence, or event shall be deemed and considered to be and constitute a valid and appropriate basis upon and reason for which the Club has determined that the Player has failed, refused, or neglected to conform his personal conduct to standards of good citizenship, good moral character, and good sportsmanship, to keep himself in first-class physical condition and/or obey the Club's training rules.

C. Without in any way limiting or enlarging the foregoing or any other provisions of the Contract or this First Addendum, the Player and the Club agree that neither the Contract nor any amounts of Base Compensation are guaranteed in the event of the Player's mental disability.

D. The foregoing provisions of this Paragraph 3 shall not require the Club to continue the Player as a member of the Club's team, Active List, or Roster, nor shall it afford the Player any right to continue, or to be deemed as having continued, as such member for any purpose.

4. Payment of Compensation.

A. The Compensation shall be payable by the Club and receivable by the Player as follows:

(1) Except as provided otherwise in subparagraph (3) below, the Compensation for the 1987-88 Season shall be payable by the Club and receivable by the Player as follows:

(a) $348,000.00 payable on January 1, 1988; and

(b) The balance of $487,000.00 payable in seven (7) equal consecutive semi- monthly installments, the first of which installments shall be payable on January 15, 1988, and the last of which shall be payable on April 15, 1988.

(2) Except as provided otherwise in subparagraph (3) the Compensation attributable to each Season after the 1987-88 Season shall be payable by the Club and receivable by the Player in twelve (12) equal consecutive semi-monthly installments, the first of which installments shall be payable on November 1 of such Season and the last of which shall be payable on the next succeeding April 15.

(3) In the event the Player (i) dies, or (ii) suffers or sustains any physical injury, illness, or disability under circumstances which require the Club to continue to pay the Compensation and as a result of such physical injury, illness, or disability the Player is unable to thereafter render services as a skilled basketball player, then and in such event all Compensation attributable to the Seasons (the "Subsequent Seasons") which follow the Season during which such physical injury, illness, or disability is suffered or sustained by the Player shall be payable as follows:

(a) The Compensation attributable to each Subsequent Season shall be payable in twenty-four (24) equal consecutive monthly installments;

(b) The first (1st) monthly installment of Compensation attributable to the first (1st) Subsequent Season shall be payable on November 1 of such Subsequent Season and the last monthly installment of Compensation attributable to the first (1st) Subsequent Season shall be payable on October 1 of the second (2nd) calendar year thereafter; and

(c) The first (1st) monthly installment of Compensation attributable to each succeeding Subsequent Season, if any, shall be payable on the November 1 following the October 1 on which the last monthly installment of Compensation attributable to the preceding Subsequent Season was payable and the last monthly installment of Compensation attributable to such last monthly installment of Compensation attributable to such Subsequent Season shall be payable on October 1 of the second (2nd) calendar year thereafter.

By way of example only, and not in limitation, if the Player suffers or sustains such a physical injury, illness or disability during the 1988-89 Season and the 1990-91 Season, and the Compensation attributable to such Subsequent Season shall be payable as follows:

(i) The Compensation attributable to the 1989-90 Season shall be payable in twenty-four (24) equal consecutive monthly installments, the first (1st) of which installments shall be payable on November 1, 1989, and the last of which shall be payable on October 1, 1991; and

(ii) The Compensation attributable to the 1990-91 Season shall be payable in twenty-four (24) equal consecutive monthly installments, the first (1st) of which installments shall be payable on November 1, 1991, and the last of which shall be payable on October 1, 1993.

B. Special Provisions.

(1) The Club shall be entitled to prepay any installment or installments of Compensation and all such prepayments shall apply in satisfaction of the Club's installment payment obligations thereafter becoming due and payable in the order of their maturity, and no such prepayment shall advance or accelerate the date upon which any subsequent installment of Compensation becomes due and payable.

(2) The Player shall not be deemed or considered to have retired or otherwise permanently ceased to render services to the Club or any other member of the Association as a skilled basketball player unless and until the Player gives the Club written notice that the Player has so retired or otherwise permanently ceased to render services as a skilled basketball player, which notice shall state the date on and as of which the Player retired or otherwise permanently ceased to render services as a skilled basketball player.

(3) No interest or other charge for the use or availability of money shall be payable upon or with respect to any sums or amounts of Compensation payable by the Club pursuant to the Contract or this First Addendum.

5. No Trade Provision.

The Player has a "no trade" provision for the 1987-88 Season.

6. Insurance.

The Player acknowledges that the Club may elect to procure insurance coverage that will pay benefits to the Club in the event the Player suffers or sustains any physical injury, illness, or disability during the term of the Contract and, further, that the Player is aware that the Club may, from time to time during the term of the Contract, seek to procure new or additional insurance coverage for such purpose or renew, increase, modify, or amend such insurance coverage which previously existed for such purposes or under such circumstances as the Club, in its sole and absolute discretion, deems or determines to be appropriate or advisable. The Player agrees to cooperate to a reasonable extent with the Club and any insurance company or underwriter in connection with any such insurance and, in addition, to execute and deliver to the Club or such insurance company or underwriter, or any agent or representative thereof, such applications, questionnaires, documents, and statements as the Club or such insurance companies or underwriters or their agents and representatives may reasonably require and, in addition, to submit to any physical and medical examination or examinations as such insurance companies or underwriters or their agents or representatives may reasonably require. The Player acknowledges that his reasonable cooperation in connection with the procurement, renewal, increase, modification, or amendment of such insurance and insurance coverage at any time and from time to time during the term of the Contract, and in fully and accurately completing any such reasonable applications, questionnaires, documents, and statements and in submitting to such reasonable physical and medical examinations, is a material consideration due to the Club by the Player, and that the Club's agreement to the provisions of the Contract and of this First Addendum including, without limitation, those provisions hereof pertaining to payment of the Compensation by the Club to the Player have been made by the Club in reliance upon the Player's agreements set forth in this Paragraph 6. The Player agrees that any breach of or default with respect to the Player's duties or obligations set forth in this Paragraph 6 which prevents or substantially impairs the Club from procuring insurance coverage and is not cured or rectified within fifteen (15) days after notice thereof is given by the Club to the Player shall constitute a material and substantial breach of the default under this Contract and this First Addendum by and on the part of the Player.

7. Offset Rights of the Club.

A. In the event the Contract is terminated under circumstances which require the Club to continue to pay Compensation with respect to or attributable to periods of time subsequent to such termination (the "Post-Termination Payments"), the Club shall have and be entitled to assert the right to offset and credit the "Offsetable Amounts" (as hereinafter defined) against and in reduction of all Post-Termination Payments. As used in this First Addendum, the term "Offsetable Amount" means and includes each and all of the following:

(1) All sums and amounts received by the Player as compensation or as any other benefit, payment, or award of a similar nature of the type currently known in Arizona as worker's compensation and sometimes referred to as industrial compensation as a result of any employment-related or work-related accident, injury, illness, or disability suffered or sustained by the Player;

(2) Sums and amounts received by the Player as proceeds of any injury, disability, or similar insurance policy or coverage to the extent such sums and amounts are receivable for or attributable to any of the Seasons, but excluding, however, any proceeds of life insurance or death benefits;

(3) To the extent the total amount of Post-Termination Payments payable by the Club exceeds the proceeds receivable by the Club from insurance coverage maintained by it upon or with respect to the Player, any sums and amounts representing, or constituting damage or compensation for, loss or reduction of earnings or earning capacity for the period of time as to which the Club is obligated to pay Post- Termination Payments, which sums or amounts are received by the Player from any third party or parties, other than the Club, who caused, contributed to or is or are liable for or otherwise responsible for any injury, illness, disability, or damage to or of the Player, regardless of whether such amounts are received by the Player as a result of a judgment, decree order, ruling, award, or any other decision or determination of or by any court, arbitrator, or other body with appropriate jurisdiction or as a result of any settlement, compromise of claim, contract, or other agreement or undertaking between the Player and/or any person acting for and on behalf of the Player and such third party or parties or any person acting for or on behalf of such third party or parties, whether directly or indirectly;

(4) All sums and amounts of compensation, salary, wages, commissions, payments and receipts, monetary or otherwise, which the Player earns or receives or becomes entitled to receive, directly or indirectly, other than the obligations of the Club under and pursuant to the Contract and this First Addendum, during or with respect to the period of time from and after the date of termination of the Contract through and including August 31 immediately following the final Season during the term of the Contract from any member or members of the Association for or on account of playing basketball for any member of the Association; and

(5) All sums and amounts which are not paid as proceeds under or with respect to any insurance coverage procured by the Club with respect to the Player's death or any injury, illness, or disability suffered or sustained by the Player by reason of or as a result of any written notice of such decision to the Club not less than sixty (60) days prior to the expiration of any applicable status of limitations or other period of time during which any act, action, or activity is required or necessary to be done, taken, or performed as a condition or prerequisite to the commencement or continuation of any such Third Party Proceeding. If, within forty-five (45) days after receipt of such notice, the Club gives the Player written notice of the Club's request that the Player nevertheless commence and/or thereafter diligently continue such Third Party Proceedings to conclusion by and through counsel selected by the Club, the Player shall do so upon the condition, however, that the Club indemnifies the Player and agrees to hold the Player harmless from and against any and all losses, damages, and obligations incurred by reason of having commenced and/or continued such Third Party Proceedings to conclusion. In the event any Third Party Proceedings are commenced and/or continued in accordance with the provisions of this Paragraph C, all applicable provisions of Paragraph B above shall govern and control with respect to such Third Party Proceedings.

D. All Offsetable Amounts shall be offset and credited against and in reduction of the Post-Termination Payments thereafter coming due in the order of their maturity. In the event and to the extent the Offsetable Amounts exceed the aggregate amount of Post- Termination Payments which are payable in the future, such excess shall, to the extent required, be paid by the Player of the Club in reimbursement of any Post-Termination Payments theretofore paid by the Club to the Player which have not previously been reimbursed. However, in no event shall the total of the Offsetable Amounts offset and credited against and in reduction of, or paid by the Player to the Club in reimbursement of, Post-Termination Payments exceed the aggregate amount of such Post-Termination Payments. Unless the Player and the Club mutually agree in writing to the contrary, all Offsetable Amounts which are to be paid to and received by the Player over a period of time, rather than in one lump sum, or which are paid to and received by the Player in the form of an annuity or other type of deferred payment, shall be valued, offset and credited at the actual cost of the purchase of any written contract, agreement, or other commitment or undertaking to pay the full amount of such annuity, deferred payment or other periodic payments provided, however, that if the actual cost of such purchase cannot be ascertained by the Club and the Player, or if no such contract, agreement or other commitment or undertaking is purchased for such purpose, any such annuity, deferred payment or other periodic payment shall be discounted by a percentage equal to the prime rate of interest as set by Citibank, N.A. and in effect at the time the annuity, deferred payment or other periodic payments is or are agreed upon. To the extent the period of time over which payment of any Offsetable Amounts will continue is indefinite by reason of the fact that such payments will continue until the occurrence of a future event, such payments will be deemed and considered to continue for the then estimated remainder of the Player's life.

8. Interpretation.

The terms and provisions of the Contract and this First Addendum are the result of negotiations between the Club and the Player, each of whom has been represented by counsel of its and his own choosing and neither of whom has acted under any duress, threat, compulsion or coercion, whether legal, economic, or otherwise. Consequently, the terms and provisions of the Contract and this First Addendum shall be interpreted and construed in accordance with their usual and customary meaning, both the Club and the Player hereby waiving the application of any rule of law which would otherwise be applicable in connection with interpretation and construction thereof and hereof including, without limitation, any rule of law to the effect that ambiguous or conflicting terms or provisions contained in the final executed form of the Contract or this First Addendum shall be interpreted or construed against the party who or whose attorney prepared the final executed version, or any previous version or draft, thereof or hereof.

IN WITNESS WHEREOF, this First Addendum has been executed by the Player and the Club contemporaneously with their execution of the Contract as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 19\_\_\_\_\_.

|  |  |
| --- | --- |
| "CLUB" | "PLAYER" |
| By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  President | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |