

Physician-Hospital Non-Competition Agreement

This Non-Solicitation and Non-Competition Agreement ("Agreement") is made and entered into this ____ day of _____, 20____ by and between _____ ("Physician") and _____ (collectively referred to as "Hospital") (collectively the "Parties"). In exchange for the agreement by Hospital to employ or continue to employ Physician, Hospital and Physician agree as follows:

1. Acknowledgement/Consideration and Protectable Interest

Physician acknowledges that Hospital, through Hospital's employment of the Physician, will provide or has provided the Physician with special and unique training and experience, trade secrets, valuable and confidential information, business and professional contacts, and the ability to treat and otherwise have access to Hospital's patients. In consideration of the foregoing and of the benefits generally provided to the Physician by the Hospital pursuant to the terms of this Agreement and otherwise, the Physician covenants and agrees to abide and be bound by the restrictions and prohibitions of this Agreement, which restrictions are intended by the Parties to extend to any and all activities of the Physician, whether as an employee, independent contractor, partner or joint venturer, or as an officer, director, equity holder, manager, agent, consultant or physician for any person, firm, partnership, corporation or other entity, or otherwise. The Physician acknowledges, agrees and covenants that the restrictions set forth herein are reasonable and necessary to protect the Hospital's legitimate business interests, which include, but are not limited to, the Hospital's training, confidential information and trade secrets, business and professional contacts, relationships within the medical community including referral sources, and marketing efforts within the communities served by the Hospital.

2. Non-Solicitation

Physician hereby agrees that Physician will not, directly or indirectly, during his/her employment with the Hospital and for a period of two (2) years thereafter: (a) induce or attempt to influence any employee or independent contractor of the Hospital to terminate his/her relationship with the Hospital or to enter into an employment or other contractual relationship with Physician or an entity affiliated with Physician; (b) enter into an employment or other contractual relationship on behalf of Physician or an entity with which Physician is affiliated with any employee or independent contractor of the Hospital; or (c) initiate contact with or solicit, verbally or in writing, the business or care of any patient of the Hospital, or of any physician (including Physician) who is an employee of the Hospital; provided, however, any such patient shall retain the right to choose Physician as his or her physician after the Physician's employment with the Hospital terminates.

3. Non-Interference

During the Term of this Agreement and for a period of two (2) years thereafter, without the Hospital's express written permission, neither Physician nor any corporation, partnership, or other business entity or person owned or controlled, directly or indirectly, by Physician, shall engage or participate in any effort or act to: (a) induce or solicit any of the third party payors, health care services providers, suppliers, associates, or independent contractors of the Hospital to cease to do

business or diminish the amount of business done with the Hospital; or (b) influence any hospital or health care facility or physician, medical professional, or other individual with a referring relationship to the Hospital to terminate, diminish or alter in a negative fashion any such relationship with the Hospital. Physician further agrees that he/she will not assist any other person, corporation, partnership, or other business entity in such activity.

4. Non-Competition

(a) Practice of Medicine. During the Term of this Agreement and for a period of two (2) years thereafter (the “Restricted Period”), Physician shall not, without the Hospital's express written permission, directly or indirectly, within the Restricted Territory, for his/her own account or the account of any other person or entity, whether as an employee, independent contractor, shareholder, member, partner, agent, director, manager, or through any corporation, partnership, joint venture, limited liability company or other entity, engage in the professional practice of medicine in any office or facility other than on behalf of the Hospital, or engage in any other business or activity, whether or not for pecuniary gain, that provides medical, diagnostic or therapeutic services, or that otherwise competes with the Hospital. The term “Restricted Territory” means the area in which the majority of the patients whom Physician treated during the last year of his/her employment with the Hospital are located, whether that area is: (a) the area comprised of the county in which Physician’s primary practice site is located during the last year of his/her employment with the Hospital); or (b) the area comprised of a ten (10) mile radius surrounding Physician’s primary practice site during the last year of his/her employment with the Hospital. Physician may contact his/her Department Chair and the Chief Medical Officer of the Hospital at any time regarding what would be the anticipated Restricted Territory should Physician’s employment with the Hospital terminate. Without waiving the foregoing, this Section shall not prohibit Physician from being a passive owner of less than five percent (5%) of the outstanding stock of any class of a corporation which is publicly traded.

(b) Business Administration. Physician acknowledges by his/her initials below this paragraph, that Physician also has business development and administrative responsibilities for the Hospital, which has resulted or will result in Physician obtaining additional confidential information regarding the business, administration, and marketing of the Hospital, and placing Physician in a position to develop goodwill on behalf of the Hospital with referral sources and others within the area medical community. As a result, in addition to the limitations on Physician’s practice of medicine set forth above, Physician also agrees that during the Restricted Period, Physician shall not, within the Business Restricted Territory, for his/her own account or the account of any other person or entity, whether as an employee, independent contractor, shareholder, member, partner, agent, director, manager, or through any corporation, partnership, joint venture, limited liability company or other entity, engage in any other business or activity, whether or not for pecuniary gain, that provides medical, diagnostic or therapeutic services, or that otherwise competes with the Hospital. The term “Business Restricted Territory” means the area that is within a 25 mile radius of (a) any facility owned by the Hospital during the last twelve months of Physician’s employment with the Hospital; or (b) any facility which Physician knows is being built, purchased (or being considered for such) by the Hospital.

PHYSICIAN INITIALS:_____

5. Injunctive Relief/Attorney's Fees

Physician further acknowledges that the Hospital would suffer irreparable harm if Physician breaches this Agreement and thus agrees that in the event of such a breach, the Hospital will be entitled to a temporary restraining order, temporary or permanent injunctions, specific performance, or other equitable relief, without any showing of irreparable harm or damage or the posting of any bond or other security, in addition to any other rights or remedies which may be available to the Hospital. In addition, Physician agrees that Physician will be liable for all reasonable attorneys' fees and costs incurred by the Hospital in a successful action to enforce this Agreement, including any fees incurred prior to the filing of a lawsuit.

6. Reformation of Agreement Permitted

Physician acknowledges and agrees that the foregoing non-solicitation and non-competition covenants and other restrictions are reasonable in scope and duration and have been negotiated at arm's length with the advice of legal counsel. Notwithstanding the foregoing, if the period of time or the scope of any restrictions contained in this Agreement should be adjudged unlawful in any court proceeding, then the period of time shall be reduced by such number of months or the scope shall be reduced by the elimination of such portion thereof as is deemed unreasonable so that the foregoing provisions may be enforced during such period of time and such scope as is adjudged to be lawful.

7. Governing Law

Physician acknowledges that the rights of Physician and the Hospital under this Agreement will be governed by State law.

8. Choice of Forum

The Hospital and Physician shall submit to the jurisdiction of, and waive any venue objections against, the United States District Court, or the Chancery Court in any litigation arising out of this Agreement. Physician hereby expressly waives his/her right to a jury trial in any court proceeding arising out of or relating to this Agreement.

9. Disclosure of Agreement and Breach

Should Physician's employment with the Hospital terminate, and should Physician thereafter seek new employment, Physician agrees to disclose the existence of this Agreement to any prospective employer engaged in the same business as the Hospital. Physician further agrees that if Physician obtains new employment, the Hospital may notify Physician's new employer(s) of Physician's obligations under this Agreement. Physician further agrees to notify the Hospital if he/she engages in any conduct that would constitute a potential breach of the terms of this Agreement.

10. Survival

This Agreement shall survive the termination of Physician's employment.

11. Consideration

Physician acknowledges that Physician signed this Agreement in exchange for employment, or continued employment, with the Hospital, and that the Hospital would not have agreed to employ, or continue to employ, Physician but for Physician's execution of this Agreement.

I HAVE READ THIS AGREEMENT CAREFULLY AND I UNDERSTAND AND ACCEPT THE OBLIGATIONS TO WHICH I AM AGREEING BY VOLUNTARILY ENTERING INTO THIS AGREEMENT.

This Agreement is entered into on _____, 20__.

PHYSICIAN

Hospital

By: _____

Name: _____

Title: _____