

SECURITY AGREEMENT BETWEEN
PEPPERMILL CASINOS INC., DBA PEPPERMILL RESORT HOTEL AND CASINO
AND
THE COUNTY OF WASHOE ON BEHALF OF
WASHOE COUNTY SHERIFF'S OFFICE

THIS **AGREEMENT** is made by and between the **COUNTY OF WASHOE**, a political subdivision of the State of Nevada, on behalf of the duly- elected Sheriff of Washoe County (herein the County and the Sheriff may be referred to collectively as either the "**COUNTY**" or the "**SHERIFF**") and the **PEPPERMILL RESORT HOTEL AND CASINO** (herein, "**PEPPERMILL CASINO**").

WITNESSETH:

WHEREAS, the **PEPPERMILL CASINO** desires the services of Deputy Sheriffs to provide security and law enforcement staffing at various special functions ("**Events**") related to periodic events at **PEPPERMILL CASINO property located at 2707 S. Virginia Steet, Reno, NV, 89502** (the "**Property**") which are agreed to by both parties; and

WHEREAS, the **SHERIFF** desires to allow his Deputy Sheriffs to voluntarily perform services at **PEPPERMILL CASINO** on their non-duty and/or duty hours because the provision of trained law-enforcement personnel for public functions, protects public safety and therefore serves the public interest; and

WHEREAS, the parties desire to enter into an agreement which allows the **SHERIFF** to provide security and law enforcement during functions conducted at the **PEPPERMILL CASINO** and under which **PEPPERMILL CASINO** assumes the responsibility for reimbursing the **COUNTY** for the cost of providing necessary Deputy Sheriffs and Vehicles.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, it is hereby agreed by and between the parties as follows:

I. DEFINITIONS

As used in this Agreement:

- A. "Deputy"** means a Deputy Sheriff and includes Sergeant Deputy Sheriffs and Reserve Deputy Sheriffs.
- B. "Sergeant"** means a Sergeant Deputy Sheriff.
- C. "Lieutenant"** means a Lieutenant Deputy Sheriff.

- D. **“Communication Personnel”** means any person assigned by Sheriff to provide communication services.
- E. **“Events”** means discrete special events held by **PEPPERMILL CASINO** which require additional security services and does not include the regular daily business of the **PEPPERMILL CASINO**.
- F. **PROVISION OF SECURITY SERVICES TO SPECIAL EVENTS ARE CONDITIONAL; AGREEMENT DOES NOT BECOME EFFECTIVE UNLESS SUFFICIENT NUMBER OF DEPUTIES VOLUNTEER TO SERVE**

It is expressly recognized by the parties hereto that a sufficient number of deputies must volunteer to perform security services requested by **PEPPERMILL CASINO** before this **AGREEMENT** becomes effective, and that this **AGREEMENT** shall not become effective and shall not bind any of the parties hereto in any manner if the **SHERIFF** is unable to obtain a sufficient number of volunteer deputies and communication personnel to perform those security and communication services.

The **SHERIFF** shall have the sole power to determine the number of deputies which is deemed sufficient to provide security services.

III. **SECURITY SERVICES**

WHEREAS, **PEPPERMILL CASINO** and **WASHOE COUNTY** have entered into an agreement for the provision of security and related services at event functions; and

WHEREAS, the **SHERIFF** and **PEPPERMILL CASINO** desire to clarify the nature and scope of the work to be performed by law enforcement at event functions pursuant to said agreement, as well as the chain-of-command for such personnel and the interaction between such personnel and representatives of **PEPPERMILL CASINO** during such functions.

NOW, THEREFORE, the parties agree as follows:

The **SHERIFF**, pursuant to the agreement between **WASHOE COUNTY** and **PEPPERMILL CASINO** will provide on-site law enforcement. The security services provided shall include (1) on-site pedestrian movement; (2) parking lot monitoring and foot patrolling; (3) exhibit hall, indoor arena, outdoor arena, midway and all other performance area foot patrolling for surveillance and crowd control purposes; (4) staging area monitoring and patrolling; (5) communication and dispatch capabilities on-site to carry-out all security services and to inter-tie with other local law enforcement agencies and the event coordinator(s); and (6) such other security services as shall be requested by the event coordinator(s) of **EVENTS**.

At least 14 days prior to an Event, **PEPPERMILL CASINO** may request the **SHERIFF** to provide security services within the jurisdiction of **PEPPERMILL CASINO** for Special Events. Said security services shall be performed by the **SHERIFF** according to his agency's own methods and without subjection of such security personnel to the supervision, direction, or control of **EVENTS** and with the **SHERIFF** retaining absolute control over the number of such personnel required to perform such security functions and the manner and means by which such services are rendered.

The **SHERIFF** and **PEPPERMILL CASINO** specifically acknowledge the law enforcement personnel providing security services shall retain absolute control and autonomy in utilizing their discretion in regard to the determination whether a law enforcement action or intervention is required in a given situation and as to the nature and extent of that law enforcement action or intervention in the event such actions is deemed appropriate under the totality of the circumstances.

The **SHERIFF** and **PEPPERMILL CASINO** hereby agree to designate, in writing, during each of said **EVENT** a Commander for the **SHERIFF'S** security forces providing security services to that event and a designated Coordinator for the **EVENTS**.

Any requests pertaining to law enforcement actions or communication services desired by **PEPPERMILL CASINO** during the event shall be channeled through said designated representatives (designated Commander or Coordinator) The **SHERIFF** and **PEPPERMILL CASINO** agree to timely and properly instruct the security staff and members of **EVENTS** as to this requirement.

IV. DEPUTIES WHO VOLUNTEER ACT IN THEIR CAPACITIES AS EMPLOYEES OF THE SHERIFF

Deputy Sheriffs are not compelled to provide security services for **PEPPERMILL CASINO** at the **EVENTS** by virtue of this **AGREEMENT**, and any such person who provides services during **SPECIAL EVENTS** does so on a voluntary basis. Deputies who provide such services shall be considered to be "on duty" while providing such services.

V. SHERIFF'S POLICIES AND PROCEDURES TO BE FOLLOWED; ALL DEPUTIES SUBJECT TO DIRECTION AND CONTROL OF SHERIFF; SHERIFF TO PROVIDE FOR SUPERVISION AND COMMAND AND CONTROL

All Policies and Procedures of the Sheriff's Office must be followed by deputies, providing services for **PEPPERMILL CASINO**. Violation of those Policies or Procedures will subject such Sheriffs employees to disciplinary action by the **SHERIFF**.

All deputies, employed pursuant to this Agreement remain subject to the direction and control of the **SHERIFF** and shall utilize the normal chain of command within the Sheriff's Office. The use of **SHERIFF'S** discretion in making such operational decisions is not and shall not be construed to be warranty or promise by **WASHOE COUNTY** or

the **SHERIFF** of the safety or security of the **EVENTS** or its agents, employees, guests or patrons.

The **SHERIFF** shall provide a sufficient number of sergeants to supervise the deputies performing services hereunder and shall arrange its employment schedules to assure that those deputies be supervised by an appropriate number of Sergeants and Lieutenants. The **SHERIFF** shall have the sole power to determine the number of sergeants and Lieutenants which are "sufficient" and "appropriate".

VI. COMPENSATION; REIMBURSEMENT; COUNTY TO MAINTAIN WORKERS' COMPENSATION

Compensation shall be the rates agreed to in Exhibit A (**FINANCIAL AND OPERATING PLAN**).

Compensation shall be at a minimum of 2 hours per person and may be pro-rated for each quarter hour (15 minutes) for time less than one full hour after that. The **SHERIFF** shall submit an invoice to General Manager Jim Moritz (JMoritz@peppermillreno.com) reflecting all amounts paid to those employees as salary earned during the provision of such security services. The **PEPPERMILL CASINO** shall pay all such amounts to the **SHERIFF** promptly after receiving the invoice.

The **COUNTY** shall maintain coverage under Nevada Workers' Compensation laws for all deputies and communication personnel providing security services for the **EVENTS**. Such coverage shall be effective at all times when those employees are providing such security services.

VII. USE OF VEHICLES

The **COUNTY** and the **SHERIFF** hereby consent to allow certain Sheriff's vehicles to be used by authorized **COUNTY** personnel during the events of **EVENTS**. The **SHERIFF** has the sole discretion to determine the quantity and type of vehicles which may be used, when, by whom, and how the vehicles may be used.

The **SHERIFF** shall include on his invoice to **PEPPERMILL CASINO** a charge per hour as delineated in the financial and operations plan for each Sheriff's vehicle utilized in providing security services for the **SPECIAL EVENTS**, and **PEPPERMILL CASINO** shall pay all such amounts to the **SHERIFF** promptly after receiving the invoice.

VIII. INSURANCE

A. PEPPERMILL RESORT CASINO AND HOTEL

PEPPERMILL CASINO shall maintain limits of General Liability insurance no less than \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a

general aggregate limit is used, the general aggregate limit shall be increased to equal twice the required occurrence limit or revised.

PEPPERMILL CASINO shall procure the insurance from an insurer having a Best's rating of no less than A-: VII. The **COUNTY**, through its Risk Manager, may accept coverage with carriers having lower Best's Ratings upon review of financial information concerning **PEPPERMILL CASINO** and the insurance carrier. The **COUNTY** reserves the right to require that **PEPPERMILL CASINO** insurer is a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's "approved but not admitted" list. Prior to commencement of security services, **PEPPERMILL CASINO** shall provide the Sheriff with a Certification of Insurance issued by an authorized representative of the liability insurance carrier of **PEPPERMILL CASINO**.

B. COUNTY NAMED AS ADDITIONAL INSURED

Prior to the commencement providing security services for the **EVENTS**, **PEPPERMILL CASINO** shall also provide to the Sheriff an endorsement to the General Liability Policy required by Paragraph "A" above, which name the **COUNTY** and all of the **COUNTY'S** officers, officials, deputies, employees, agents and volunteers as additional insured for all periods of time during which deputies and Sergeants may be employed for services at any **PEPPERMILL CASINO** function. The endorsement shall contain the following or similar language:

" Any person or organization, but only to the extent that you are required to include them as an additional insured under this policy because of a written contract that:

- (1) Is in effect during this "policy period"; and*
- (2) Was executed prior to the "occurrence" with respect to any "bodily injury" or "property damage"; and*
- (3) Is an "insured contract"*

Such person or organization, however, is an additional insured only to the extent of the coverage provided by this policy for "bodily injury" and "property damage" with respect to liability arising out of "your work" or "your product" for that additional insured, and then only for the period of time required by that written contract, but in no event beyond the expiration or termination of this policy."

PEPPERMILL CASINO insurance coverage shall be primary insurance as respects to the county, its officers, officials, deputies, employees, agents and volunteers for operations performed by or on behalf of **PEPPERMILL CASINO**. Any insurance or self-insurance maintained by the **COUNTY** shall be in excess of **PEPPERMILL CASINO** insurance and shall not contribute with it in any way.

Any failure to comply with reporting provisions of this policy shall not affect coverage provided to the **COUNTY**, its officers, officials, deputies, employees or volunteers.

This policy of insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Except

for nonpayment of premium, coverage under this policy shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the COUNTY.

C. FAILURE TO PROCURE INSURANCE; REMEDIES

If PEPPERMILL CASINO fails to procure or maintain any of the insurance coverage required in paragraphs "A" or "B" above, the COUNTY may terminate this Agreement.

IX. HOLD HARMLESS, DEFENSE AND INDEMNIFICATION

PEPPERMILL CASINO agrees to hold harmless, defend, and indemnify COUNTY, and its deputies from and against any loss or liability, financial or otherwise, resulting from any claim, demand, suit, action or cause of action based on bodily injury (including death) or property damage, including property damage, arising out of or as a result of the acts, errors, or omissions of PEPPERMILL CASINO, its officers, agents, employees, or subcontractors, including the, negligent acts, errors, or omissions of the deputies of the County committed at the direction of PEPPERMILL CASINO or committed in operations performed on behalf of PEPPERMILL CASINO.

Liability, claims, demands, damages, losses and expenses resulting from the negligent acts, errors and omissions of law enforcement officers engaged in acts of enforcing the law which would have been their responsibility or come under their jurisdiction absent the agreement PEPPERMILL CASINO shall be excluded from the responsibility of PEPPERMILL CASINO.

In determining the nature of any claim against the COUNTY, its officers, officials, agents, employees, deputies and/or volunteers, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations. In the event of a lawsuit against the SHERIFF or COUNTY, its officers, official agents, employees, deputies and/or volunteers which is defended by COUNTY personnel, PEPPERMILL CASINO shall reimburse COUNTY for costs of COUNTY personnel in defending such actions.

COUNTY will not waive and intends to assert available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability of both parties shall not be subject to punitive damages.

Reimbursement for the time spent by such personnel shall be at the actual cost for such services.

X. MISCELLANEOUS

A. Termination of Agreement

Either party may terminate this agreement upon 30 days written notice to the other party.

B. Termination of Agreement Due to Emergency or Exigent Circumstances.

The SHERIFF may, at any time and at his discretion, terminate this agreement should he determine an emergency exists that requires the resources dedicated to PEPPERMILL CASINO for use in the in execution of his lawful or statutory duties.

C. Entire Agreement

This AGREEMENT and the referenced CURRENT FINANCIAL AND OPERATIONS PLAN, constitutes the full and complete agreement of the parties and all prior, contemporaneous or subsequent statements; negotiations, promises and agreements of the parties are merged herein and shall not contradict or modify the terms hereof.

The exception to this provision shall be the Annual Modification of the Financial and Operations Plan that must be agreed upon by the SHERIFF and PEPPERMILL CASINO. The Board authorizes the SHERIFF to approve the Financial and Operations plan without Board action.

D. Term of Effective Agreement

Upon execution by both parties, this AGREEMENT shall be effective during the EVENTS for a period beginning during the EVENTS (December 2025) and ending the last day of December 2026.

E. Attorney's Fees

Each Party shall bear its own attorney's fees and costs that may arise as a result of this AGREEMENT.

F. Applicable Law

This AGREEMENT shall be governed by the laws of the State of Nevada, irrespective of conflicts of law rules.

G. Authority

Each person who executes this AGREEMENT declares that he has full legal authority to bind his principal to the full extent of the law.

H. Funding Out

If the governing body appropriating funds for the COUNTY or SHERIFF fails to obligate any funds necessary to carry out any duties created hereunder beyond

COUNTY'S or **SHERIFF'S** then current fiscal period, this Agreement shall terminate without charge, penalty, or sanction.

