

CHANCELLOR EMPLOYMENT AGREEMENT

BETWEEN

BOARD OF REGENTS OF THE

NEVADA SYSTEM OF HIGHER EDUCATION

AND

LAWRENCE M. DRAKE II, PH.D

CHANCELLOR EMPLOYMENT AGREEMENT

between

Board of Regents of the Nevada System of Higher Education
and
Lawrence M. Drake II

This Chancellor Employment Agreement (the "Agreement") is made and entered into by and between the Board of Regents of the Nevada System of Higher Education (the "Board of Regents" or the "Employer") and Lawrence M. Drake II (the "Chancellor" or "Employee") and is effective upon execution by all parties and approval by the Board of Regents.

ARTICLE 1 – PURPOSE

The Board of Regents and Employee have entered into this Agreement because the Board of Regents desires to contract with Employee to serve as the Chancellor of the Nevada System of Higher Education ("NSHE") for the period set forth in Article 3. The Board of Regents and Employee agree that the Chancellor conducts professional activities under circumstances unique among System employees. Employee desires to obtain the opportunities of employment with the Board of Regents which are set forth in this Agreement. For these reasons, the Board of Regents has agreed to employ Employee and Employee has promised to be employed by the Board of Regents upon the terms and conditions set forth in this Agreement.

ARTICLE 2 – PUBLIC DOCUMENT

The parties agree that this Agreement is a public document and that the Board of Regents may release copies of this Agreement to persons requesting the same.

ARTICLE 3 – TERM OF EMPLOYMENT, NOTICE OF NON-RENEWAL, MANDATORY BACKGROUND CHECK, AND EMPLOYEE'S CERTIFICATION OF TRUTH AND ACCURACY OF MATERIALS AND REPRESENTATIONS

3.1. Term of Employment.

The Employee's employment hereunder, subject to the approval of the Board of Regents, shall be for a term of four (4) years and shall commence on August 1, 2023 and, except as otherwise provided herein, shall continue until this Agreement expires upon the close of business on July 31, 2027 (the "Term").

3.2. Notice of Non-renewal.

THE PARTIES TO THIS AGREEMENT EXPRESSLY UNDERSTAND AND AGREE THAT THE PROVISIONS OF THIS ARTICLE CONSTITUTE NOTICE TO THE EMPLOYEE OF THE NONRENEWAL OF EMPLOYMENT, THAT EMPLOYEE'S EMPLOYMENT WILL TERMINATE UPON THE CLOSE OF BUSINESS ON THE DATE SET FORTH IN SECTION 3.1, AND THAT, NOTWITHSTANDING ANY PROVISION OF THE NSHE CODE (TITLE 2 OF THE BOARD OF REGENTS' *HANDBOOK*) (HEREINAFTER, "NSHE CODE") TO THE CONTRARY, NO OTHER NOTICE OF NONRENEWAL OF EMPLOYMENT SHALL BE REQUIRED.

3.3. Mandatory Background Check.

This Agreement and the parties' obligations hereunder are expressly contingent upon NSHE obtaining an acceptable background check, including a criminal background check, within thirty (30) days after the Effective Date of this Agreement (the "Background Check"). Employee's academic degrees and credentials must be confirmed as part of the Background Check. Employee's failure to pass the Background Check to the satisfaction of the Board of Regents, in its sole and absolute discretion, invalidates and voids this Agreement and results in immediate termination for cause. Following initial employment, Employee is subject to and hereby consents to additional supplemental background check(s) related to pre-employment matters at the discretion of the Chair of the Board of Regents at any time during employment (each a "Supplemental Background Check.") Employee's failure to pass any Supplemental Background Check to the satisfaction of the Board of Regents, in its sole and absolute discretion, for reasons that would constitute cause for discipline under Paragraph 6.1 or cause for termination of the contract, invalidates and voids this Agreement and results in immediate termination for cause.

3.4. Employee's Certification of Truth and Accuracy of Materials and Representations.

Employee does hereby certify and declare that Employee's application materials, including but not limited to resumes and curriculum vitae submitted in support of candidacy for employment are a true and accurate representation of Employee's education, credentials, qualifications, experience, and background and acknowledges that falsification of employment applications or documents submitted to the NSHE, or making other false or fraudulent representations in securing employment is prohibited. Falsification or misrepresentation of education, credentials, qualifications, experience, or background and/or evidence that degrees offered in support of candidacy for employment have been issued from non-accredited institutions, in Employer's sole and absolute discretion, invalidates the employment contract and voids this Agreement and results in immediate termination for cause.

3.5. Sole Employment Agreement

Upon the Effective Date, the terms and conditions of this Agreement, as set forth herein, shall constitute the sole Employment Agreement between the Board of Regents and Employee.

ARTICLE 4 – POSITION**4.1. Employment as Chancellor of NSHE.**

Employee is hereby employed by the Board of Regents to serve in the position of Chancellor of NSHE. Throughout the Term, Employee shall use Employee's best full-time energies and abilities for the exclusive benefit and at all times in the best interests of the Board of Regents, NSHE, and the member institutions and units that make up NSHE.

4.2. Description of Employee's Responsibilities.**4.2.a. Recognition of Duties.**

Employee agrees to be a loyal employee of the Board of Regents. Employee agrees to devote Employee's best efforts full-time to the performance of all duties for the Board of Regents and to give proper time and attention to furthering Employee's responsibilities and to comply with all rules, regulations, policies, and decisions established or issued by the Board of Regents, NSHE and any of its member institutions. The Employee agrees that, notwithstanding any provision of Section 5.6 herein, during the Term, Employee will not engage, directly or indirectly, in any business or investments that would materially detract from or interfere with the Employee's ability to exercise best efforts in the performance of all duties hereunder.

4.2.b. General Duties and Responsibilities of Employee.

During the Term, Employee agrees to undertake and perform properly, efficiently, to the best of Employee's ability and consistent with the standards of the Board of Regents all duties and responsibilities attendant to the position of Chancellor as set forth in Section 4.2.c below.

All standards, requirements, policies and procedures of the Board of Regents and NSHE shall also be observed by the Employee and members of Employee's staff at all times. As Chancellor, Employee will publicly support the mission and policies of the Board of Regents and NSHE. Employee shall not exhibit any behavior that brings Employee, the Board of Regents, NSHE or any member Institution of NSHE into public disrepute, contempt, scandal or ridicule or any behavior that is unfavorable to the reputation or ethical standards of the Board of Regents or NSHE. In Employee's position as Chancellor, Employee is held directly accountable by the Board of Regents for these general responsibilities.

4.2.c. Duties and Responsibilities while Employed as Chancellor.

The duties and responsibilities assigned to Employee in connection with this position as Chancellor are set forth in Article VII, Section 3 of the Board of Regents *Bylaws* as may be amended from time to time are incorporated herein by reference, the Board of Regents *Handbook*, the NSHE *Procedures and Guidelines Manual* and as otherwise directed by the Board of Regents.

4.3 Reporting Relationship.

Employee shall report to the Board of Regents per applicable Board policy.

4.4. Annual and Periodic Performance Evaluations.

Employee's annual evaluation of performance of job duties and responsibilities shall be performed in

accordance with the provisions of Chapter 2, Section 2, Subsections 4 and 5 of the NSHE *Procedures and Guidelines Manual*, as amended from time to time.

4.5. Presence at System Offices.

NSHE has offices located in Las Vegas and Reno. Employee shall provide oversight, management and control of each office and split Employee's time between the Reno and Las Vegas System offices (approximately fifty percent of time spent at each office).

4.6. Compliance with all Policies and Procedures as Amended.

Employee must comply with all policies and procedures of NSHE, as they may be adopted or amended from time to time during the Term of this Agreement.

ARTICLE 5 – COMPENSATION

In consideration for the promises Employee has made in entering into this Agreement, Employee shall be entitled to the compensation described below. All payments provided for in this Agreement and all non-cash consideration and benefits are subject to normal deductions and withholding of all applicable state, local and federal taxes, including all provisions, regulations and guidelines of the Internal Revenue Code, and for any retirement or other benefits to which Employee is entitled or in which Employee participates, and are subject to the terms and conditions of Article 6 herein concerning termination of this Agreement and Article 7 herein concerning restrictions on competitive employment.

5.1. Base Salary, COLA/Merit and Performance Adjustments.

5.1.a Base Salary.

The base salary paid to Employee for all services and satisfactory performance of the terms and conditions of this Agreement shall be at the base rate of Four Hundred Fifty Thousand Dollars (\$450,000.00) ("Base Salary") per fiscal year (a fiscal year begins on July 1 and ends the following June 30), prorated to the portion of the fiscal year the Employee is actually employed, and payable in equal monthly installments to Employee on the first working day of each consecutive calendar month during the Term. Notwithstanding this Section 5.1, in the event there are salary reductions throughout the NSHE for any fiscal year during the Term, Employee's salary shall be reduced by the same percentage and in the same manner as other employees of the NSHE through the mechanisms required by the State Legislature or Board of Regents, such as, for example, pay cuts and unpaid leave/furlough days.

5.1.b. COLA/Merit.

Employee is not eligible for any Cost of Living (COLA) or merit pay increases and Employee waives any claim for COLA or merit pay increases granted by the State Legislature for state employees and authorized for System employees by the Board of Regents.

5.2. Fringe Benefits.

Except as provided herein, Employee shall be entitled to the standard fringe benefits provided to all other professional employees of the NSHE including, but not limited to, retirement contributions based upon the Base Salary paid pursuant to Section 5.1 of this Agreement, health insurance, annual leave, and sick leave.

5.3. Expenses.

Reimbursement to Employee for all travel and out-of-pocket expenses reasonably incurred for the purpose of and in connection with the performance of Employee's duties under this Agreement shall be made in accordance with standard State reimbursement rates and procedures of the NSHE upon presentation to the Chair of the Board of Regents of standard travel reimbursement forms, vouchers or other statements itemizing such expenses in reasonable detail. For purposes of this Agreement, Employee's eligibility for reimbursement for travel and other out-of-pocket expense shall be based on Employee's single primary residence as set forth in Section 5.4.b.

5.4. Automobile and Housing Allowance.

While serving as Chancellor, additional perquisites consisting of an automobile allowance and a housing allowance shall be provided in recognition of the requirements of this position and paid in lieu of furnishing an automobile and a house to the Employee as follows:

5.4.a. Automobile.

While serving as Chancellor, an automobile allowance shall be provided in recognition of the requirements of this position and paid in lieu of furnishing an automobile. Employee's automobile allowance shall be Eight Thousand Dollars (\$8,000.00) per fiscal year, paid in equal monthly installments and prorated for partial months of service, which shall be in lieu of reimbursement for use of a private vehicle on official business within a fifty-mile radius of the Employee's primary residence.

5.4.b. Housing.

While serving as Chancellor, an annual housing allowance shall be provided in recognition of the requirements of this position. Employee's housing allowance shall be Twelve Thousand Dollars (\$12,000.00) per fiscal year, paid in equal monthly installments and prorated for partial months of service. This housing allowance shall be the only amount paid for housing no matter the number or location of houses or residences utilized by Employee. For the purpose of this Agreement, Employee's primary residence to which this allowance applies shall be in Reno. No housing allowance shall be provided in Las Vegas.

5.4.c. Relocation

Employee shall receive a one-time payment of Ten Thousand Dollars (\$10,000) for the purpose of compensating Employee for moving, relocation, and related expenses. No other payments or reimbursements will be made for moving, relocation, and related expenses incurred by Employee.

5.5. Host Account.

Employee shall have the use of an annual host account of Five Thousand Dollars (\$5,000.00) per fiscal year only while serving as the Chancellor. The host account for partial fiscal years of service as the Chancellor will be prorated. Expenditures from the host account must conform to policies established by the Board of Regents. Subject to prior approval by the Chair of the Board of Regents, host account funds may be used to pay for transportation, lodging, and meal expenses (in accordance with the standard State reimbursement rates) of Employee's spouse, companion or domestic partner when Employee's spouse, companion or domestic partner is expected to accompany Employee to events outside the fifty-mile radius of Employee's primary residence for the purpose of assisting appointee in representing the NSHE.

5.6. Outside Activities/Conflicts of Interest/Competing Organizations.**5.6.a. Chair of Board of Regents Approval Required.**

Employee acknowledges that the Conflict of Interest/Outside Professional or Scholarly Services Policies set forth in Title 4, Chapter 3, Section 8 of the *Handbook* and all related rules and procedures thereunder apply to Employee during the Term of this Agreement. Consistent with such policies, Employee agrees for the Term not to serve, directly or indirectly, as an employee or otherwise, as a director, executive, advisor and/or consultant, nor perform related services for any organization, club or group, with or without compensation, without the prior written consent of the Chair of the Board of Regents, which may be withheld in the Chair's sole and absolute discretion. During the Term of this Agreement, Employee shall not make or continue to hold any investment in or be associated with any enterprise, which could be deemed to be competitive or in conflict with the objectives and philosophies of the Board of Regents, NSHE, or any member institution of NSHE, without first having obtained the written approval of the Chair of the Board of Regents, which may be withheld in the Chair's sole and absolute discretion.

5.6.b. NSHE is Not Liable.

ANY ARRANGEMENTS FOR OUTSIDE COMPENSATION OR OUTSIDE ACTIVITIES ARE INDEPENDENT OF THE EMPLOYEE'S NSHE EMPLOYMENT, AND EMPLOYEE HEREBY RELEASES NSHE, ITS REGENTS, OFFICERS, EMPLOYEES AND AGENTS FROM ANY LIABILITY, DAMAGES, AND/OR CLAIMS IN ANY WAY RELATED TO OR ARISING FROM ANY OUTSIDE ACTIVITIES, FOR ANY PAYMENT OF OUTSIDE COMPENSATION OR FOR ANY CLAIMS ARISING THEREFROM UNDER ANY CIRCUMSTANCES WHATSOEVER. EMPLOYEE HEREBY EXPRESSLY RELEASES NSHE, ITS REGENTS, OFFICERS, EMPLOYEES AND AGENTS FROM ANY AND ALL CLAIMS FOR THE LOSS OF ANY COLLATERAL BUSINESS OPPORTUNITIES OR ANY OTHER BENEFITS, PERQUISITES, OR INCOME RESULTING OR POTENTIALLY RESULTING FROM ANY OUTSIDE ACTIVITIES OF THE EMPLOYEE.

5.7. Compliance with State and Federal Laws.

The Employee is subject to and must comply with all applicable state and federal laws and regulations, including but not limited to, the financial disclosure requirements in accordance with NRS 281 and the provisions of the State

Code of Ethical Standards set forth in NRS 281A.

ARTICLE 6 – DISCIPLINE AND TERMINATION

6.1. Discipline and Termination.

Employee recognizes that Employee's promise to remain as Chancellor through the entire Term is of the essence of this Agreement to the Employer. It is also recognized, however, that certain circumstances may make it appropriate for Employer to terminate this Agreement prior to the completion of its entire Term, as follows:

6.1.a. Termination Without Cause.

Employee serves at the pleasure of the Board of Regents. At any time after commencement of this Agreement, the Board of Regents, for its own convenience and without cause, may terminate this Agreement and remove Employee from the position of Chancellor. Upon such termination, Employee shall continue to receive on a monthly basis the Base Salary set forth in Section 5.1.a for a period of six (6) months following the effective date of said termination of this Agreement or for the remaining Term of this Agreement, whichever is less, but Employee shall not receive or be entitled to any other payments, including, without limitation, any housing allowance, automobile allowance, host account, or other amounts set forth in this Agreement, including Article 5. In addition, upon such termination, Employee shall not be entitled to any remaining payments for host account, salary supplements, bonuses, deferred compensation, other perquisites, or any payments funded by a Foundation.

6.1.b. Mitigation by Employee.

Notwithstanding the provisions of Section 6.1.a, Employee agrees to mitigate Employer's payment obligation by making reasonable and diligent efforts to obtain employment. Such employment includes, without limitation, any faculty position or position in administration or consulting services provided to any school, college, university or organization. Failure to seek other employment reasonably and diligently shall relieve Employer of its obligation under Section 6.1.a. After Employee obtains such new employment, if any, Employer's payment obligation under Section 6.1.a shall be reduced by the salary or other monetary consideration paid to Employee from such new employment.

6.1.c. Automatic Termination upon Death or Disability of Employee.

This Agreement terminates upon Employee's death. Notwithstanding any provision of the NSHE Code to the contrary, in addition to any benefits which may be paid to the estate of the deceased Employee from insurance, retirement or any other source, Employer shall pay to Employee's estate Employee's salary through the day death occurred, plus any earned, accrued but unused annual leave, if applicable under NSHE policies, together with one-twelfth (1/12th) of Employee's base salary.

Upon total or permanent disability of Employee, within the meaning of the NSHE's disability insurance for employees, if any, Employee is required to first use all unused accrued sick leave and, if applicable, annual leave or other leave authorized under NSHE policies or procedures prior to receiving total or permanent disability benefits. Upon the expiration of such leave or the period of six (6) months from the initiation of such sick leave, whichever occurs later, this Agreement shall automatically terminate.

6.1.d. Employee Subject to Discipline and Termination for Cause.

Employee is subject to disciplinary action, up to and including termination for cause, by the Board of Regents in accordance with the provisions of this Agreement, based on the following:

1. Failure to perform, or maintain an acceptable level of performance of, the duties for which the Chancellor is employed, including, without limitation, those set forth in Article VII, Section 3 of the Board of Regents' *Bylaws*;
2. Insubordination, which means disobedience of a lawful order given by the Board of Regents;
3. Falsification of employment applications or documents submitted to NSHE or making false or fraudulent representations in securing employment;
4. Intentional misrepresentation of a material fact that has a substantial adverse impact on NSHE or any of its member institutions;
5. Conviction of any criminal act involving moral turpitude;

6. Being in an impaired condition resulting from the use of any drug, alcohol, or controlled substance while on duty, with due consideration given to NRS 284.406 through NRS 284.407, inclusive;
7. Unauthorized absence from duty or abuse of leave privileges;
8. Personal or professional conduct which shows that Employee is unfit to remain in the position of Chancellor;
9. Breach by Employee of the covenant of confidentiality contained in Section 7.1 below; or
10. Any instance of prohibited conduct set forth in the Board of Regents Handbook, Title 2, Chapter 6, Section 6.2.

In addition to the prohibited activities set forth above, Employee acknowledges and agrees that discipline may also be based upon breach of any of the terms or conditions of this Agreement, or any violation of the policies or procedures of the Board of Regents.

6.1.e. Employer's Obligations Upon Termination for Cause.

In the event this Agreement is terminated for cause, all of Employer's obligations to Employee under this Agreement shall cease as of the effective date of such termination. Employee shall not be entitled to payment for accrued and unused annual leave. In no case shall Employer be liable to Employee for the loss of any collateral business opportunities or any other benefits, perquisites, or income resulting from activities, contracts, consulting relationships or from any other sources, that may ensue as a result of the Employer's termination of this Agreement.

6.2. Termination by Employee.

6.2.a. Termination for Convenience of Employee.

The Employee understands and agrees that Employee's promise to remain employed as Chancellor for the entire Term is of the essence of this Agreement to Employer. Employee also understands and agrees that Employer is making a highly valuable investment in Employee's continued employment by entering into this Agreement and that its investment would be lost and significant cost incurred were Employee to resign or otherwise terminate employment with Employer prior to the expiration of this Agreement. In recognition of these understandings, the parties agree that while Employee may, nevertheless, terminate this Agreement prior to its normal expiration, such termination shall be upon the following terms and conditions only:

6.2.a.1. Written Notice of Termination.

Employee, for Employee's own convenience, may terminate this Agreement during the Term by giving prior written notice to Employer. Such termination shall be effective no earlier than sixty (60) calendar days after receipt of the written notice unless otherwise agreed to by the parties in writing.

6.2.a.2. Liquidated Damages.

If Employee terminates this Agreement for convenience, all obligations of Employer shall cease as of the effective date of the termination, and, if the effective date of the termination is within twelve (12) months following the Effective Date of this Agreement, Employee shall pay to Employer, as liquidated damages and not a penalty, the sum of One Hundred Thousand Dollars (\$100,000.00), which shall be due and payable within twenty (20) calendar days of the effective date of the termination, or as otherwise agreed in accordance with a payment schedule agreed upon in writing by Employee and the Chair of the Board of Regents. Any unpaid amount of liquidated damages that remains unpaid twenty (20) calendar days after the effective date of the termination shall bear simple interest at a rate of eight percent (8%) per annum until paid in full.

6.2.a.3. Not a Penalty.

The parties have both been represented by, or had the opportunity to consult with, legal counsel in the negotiation of this Agreement and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that Employer will incur administrative and recruiting costs in obtaining a replacement for the Employee, that Employer will lose the benefit of its investment in Employee, and that Employer may face potentially increased compensation costs if Employee terminates this Agreement for convenience, all of which amounts are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by Employee is the Employer's sole remedy and the acceptance thereof by Employer shall constitute adequate and

reasonable compensation to Employer for any and all damages and injury suffered by it because of such termination by Employee. The liquidated damages are not, and shall not be construed to be, a penalty.

6.2.b. Effect of Termination by Employee.

If Employee terminates this Agreement prior to its expiration, all compensation and other obligations owed by Employer to Employee under this Agreement will be terminated on the effective date of the Employee's termination, except such sums as are earned by and are still owing to Employee prior to the effective date of Employee's termination. The provisions of this Section 6.2 shall be without prejudice to any right Employer may have under applicable law. In no case shall Employer be liable to Employee for the loss of any collateral business opportunities or any other benefits, perquisites or income resulting from activities, contracts, consulting relationships or from any other sources, that may ensue as a result of the Employee's termination of this Agreement.

ARTICLE 7 – RESTRICTIVE COVENANTS

7.1. Confidential Information.

The parties agree that in the course of employment, Employee will have access to confidential information regarding NSHE and its member institutions, including, without limitation, donor lists and donor information, which could be used by others to the disadvantage of NSHE and its member institutions. Employee shall not provide, and is prohibited from providing, any such confidential information to any third party outside of NSHE or to any other institutions, their employees, agents or representatives when the institution does not have authority to receive said confidential information. A breach of this section by Employee shall constitute cause to terminate this Agreement under Section 6.1.d.

7.2. Other Employment Opportunities.

The parties agree that should another employment opportunity be presented to Employee, or should Employee be interested in another position as a Chancellor, President, or other executive level position at any institution of higher education, Employee shall immediately notify the Chair of the Board of Regents in writing of such opportunity or interest.

ARTICLE 8 – MISCELLANEOUS

8.1. Choice of Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada and the laws of the State of Nevada shall govern the validity, performance and enforcement of this Agreement. Any and all disputes arising out of or in connection with this Agreement shall be litigated in a court of competent jurisdiction in Washoe County, State of Nevada, and the parties hereby expressly consent to the jurisdiction of said court.

8.2. Assignment of Agreement.

Employee's rights and interests under this Agreement may not be assigned, pledged, or encumbered in any manner by Employee.

8.3. Merger Clause.

THIS AGREEMENT CONSTITUTES THE FULL AND COMPLETE UNDERSTANDING OF THE PARTIES WITH RESPECT TO THE EMPLOYMENT OF THE EMPLOYEE AND SUPERSEDES AND INCORPORATES ALL PRIOR UNDERSTANDINGS AND AGREEMENTS, ORAL OR WRITTEN, REGARDING THE EMPLOYEE'S EMPLOYMENT BY THE BOARD OF REGENTS.

8.4. Amendments to Agreement.

This Agreement may be amended at any time only by a written instrument duly approved by the Board of Regents and executed on behalf of the Board of Regents by the Chair of the Board and by Employee.

8.5. Severability.

If any provision or provisions hereof shall be deemed invalid or unenforceable, either in whole or in part, this Agreement shall be deemed amended to delete or modify, as necessary, the offending provision or provisions or to alter the bounds thereof in order to render it valid and enforceable.

8.6. No Waiver of Default.

No waiver by the parties of any default or breach of any covenant, term, or condition of this Agreement shall be deemed to be a waiver of any other default or breach of the same or any other covenant, term, or condition

contained herein.

8.7. Acknowledgement.

Employee acknowledges that Employee has read and understands the provisions of this Agreement and that such provisions are reasonable and enforceable, and Employee agrees to abide by this Agreement and the terms and conditions set forth herein. Employee acknowledges having had the opportunity to consult with counsel of Employee's choice regarding the provisions of this Agreement prior to signing it.

8.8. Indemnification

Employee agrees to hold harmless and indemnify Employer and Employer's regents, officers, employees and agents from any and all suits, claims, demands, damages, liability, housing and expenses, including attorneys' fees and costs, arising out of Employee's performance of acts outside the scope of this Agreement, or for acts in pursuit of outside income as permitted by this Agreement, except such suits, claims or demands in which Employee seeks to compel Employer to comply with its obligations hereunder, or in which Employee seeks to enforce any remedies Employee may have hereunder. This Section 8.8 shall survive the termination for any reason of this Agreement.

8.9. Employer Retains All Materials and Records.

All materials or articles of information including, without limitation, all documents, records, material or data, furnished to Employee or developed by Employee in connection with Employee's employment hereunder, are and shall remain the sole property of Employer. This Section 8.9 shall survive the termination for any reason of this Agreement.

8.10. Employee Will Not Incur Indebtedness.

It is mutually agreed and understood that the Employee shall not incur any indebtedness for or on behalf of the Board of Regents, NSHE, or any of its member institutions, except in accordance with the policies and procedures established by the Board of Regents.

8.11. Government Immunity Not Waived.

It is expressly agreed and understood between the parties that Employer is an entity of the State of Nevada and that nothing contained herein shall be construed to constitute a waiver or relinquishment by Employer of the right to claim such exemption, privileges, and immunities as may be provided by law.

8.12. Notice.

Any notice or communication which may or is required to be given under this Agreement shall be in writing and shall be deemed to have been given on the earlier of either the day actually received or on the close of business on the third business day following the day when deposited in the United States Mail, postage prepaid, registered or certified, addressed to the party at the address set forth at its name below or such other address as may be given by such party in writing to the other:

If to the Employee:

██████████
██████████

If to the Board of Regents:

Chair of the Board of Regents
2601 Enterprise Rd.
Reno, Nevada 89512

and

4300 S. Maryland Parkway
Las Vegas, Nevada 89119

With a copy to:

Chief of Staff
4300 Maryland Parkway
Las Vegas, Nevada 89119

Employee shall update NSHE Human Resources with any change of address information immediately upon any such change taking place.

8.13. Applicability of the NSHE Code.

Except as expressly stated herein, the provisions of the NSHE Code (i.e., Title 2 of the Board of Regents' *Handbook*), as may be amended from time to time during the Term, are incorporated by reference into this Agreement. Any amendments to the Code after this Agreement is executed shall be incorporated by reference into this Agreement and binding upon Employee.

8.14. Force Majeure.

Neither party shall be considered in default in the performance of its obligations under this Agreement if such performance is prevented or delayed by Force Majeure. Force Majeure shall be understood to be any cause which is beyond the reasonable control of the party affected and which is forthwith, by notice from the party affected, brought to the attention of the other party, including but not limited to war, hostilities, revolution, civil commotion, strike, lockout, epidemic, pandemic, accident, fire, wind or flood or because of any law, order, proclamation, ruling, regulation or ordinance of any government or subdivision of government or because of any act of God.

8.15. Captions.

All captions in this Agreement are included for convenience only and do not constitute, nor are incorporated in, the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be executed, intending to be legally bound by its provisions upon approval of the Board of Regents of the Nevada System of Higher Education,.

BOARD OF REGENTS OF THE NEVADA SYSTEM
OF HIGHER EDUCATION

LAWRENCE M. DRAKE II, EMPLOYEE

By: _____

By: _____

Date: _____

Date: _____