

**SETTLEMENT AGREEMENT  
AND MUTUAL RELEASE**

This SETTLEMENT AGREEMENT AND MUTUAL RELEASE of all claims (this “AGREEMENT”) is entered into as of May \_\_, 2022 (the “Effective Date”) by and between CLARK COUNTY, a political subdivision in the State of Nevada (“CC”), and RICHARD GALLAGHER, property owner of 3530 S. Pecos Road, Las Vegas, Nevada (“GALLAGHER”), to forever settle and mutually release any and all lawsuits, civil penalties, liens and administrative citation claims in connection with the facts involved in Clark County Code Enforcement Case # 20-10698 and the resulting Litigation. GALLAGHER and CC are individually referred to in this Settlement Agreement as a “Party” and collectively as the “Parties.”

**RECITALS**

- A. GALLAGHER is the owner of 3530 S. Pecos Road, Las Vegas, Nevada, more particularly described as APN 161-18-212-002 (the “Property”);
- B. On October 8, 2020, CC recorded a lien for a civil penalty in connection with Clark County Code Enforcement Case # 20-10698 and pursuant to Clark County Code 30.44.010(b)(7)(c) and 11.14.030 in the amount of \$2,000.00;
- C. On March 10, 2022, CC recorded a lien for an administrative citation in connection with Clark County Code Enforcement Case # 20-10698 and pursuant to Clark County Code 30.44.010(b)(7)(c) and 1.14.010 in the amount of \$128,350.00;
- D. On January 27, 2022, GALLAGHER filed a Petition for Writ of Mandamus in Clark County’s Eighth Judicial District Court, Case No. A-22-847374-W, challenging Clark County’s decision and ability to assess and lien the civil penalties and administrative citations in Code Enforcement Case # 20-10698;
- E. The Parties desire and intend to fully settle and dismiss the above lawsuits and release any and all claims, rights and demands they may now possess or hereafter acquire against each other with respect to, arising out of or related to the civil penalties, liens and administrative citations in Case # 20-10698 and A-22-847374-W in accordance with the terms and conditions set forth in this AGREEMENT;
- F. Without admitting any fault, wrongdoing or liability, and solely for the purpose of avoiding the delay, expense, and uncertainty of potentially protracted litigation, all parties wish to compromise and mutually resolve all lawsuits, disputes, claims, and potential claims among them as set forth in this AGREEMENT.

THEREFORE, based on the foregoing Recitals, and in consideration of the mutual promises set forth below, the sufficiency of which is hereby acknowledged, all parties agree to be legally bound as follows.

### **AGREEMENT**

1. **Recitals.** The foregoing recitals are incorporated herein, as if set forth in full.

2. **Settlement Terms and Personal Covenant.**

a. Within thirty (30) days from the date this AGREEMENT is dated, GALLAGHER shall make a payment to CC in the amount of Twenty-Six Thousand and Seventy Dollars (**\$26,070.00** – the “Settlement Payment”). The Settlement Payment shall be in the form of check which shall be made payable to “CLARK COUNTY TREASURER” and delivered to the Public Response Office at 4701 W. Russell Road, Las Vegas, Nevada 89118.

b. Contemporaneous with GALLAGHER’s Settlement Payment, GALLAGHER further covenants and agrees to not engage in any “transient lodging” activity, as such is defined in the Clark County Code, which includes the rental of the Property for less than 31 days, in the unincorporated Clark County area for so long as transient lodging is deemed illegal and in violation of the Clark County Code; or so long as GALLAGHER does not hold a valid Clark County business license that permits transient lodging at the Property, as may exist in the future (the “Personal Covenant”);

c. Contemporaneous with GALLAGHER’s Settlement Payment and Personal Covenant, GALLAGHER further covenants to provide CC with an executed Stipulation for Dismissal with Prejudice for Case No. A-22-847374-W (the “Litigation”) to be submitted to the court by counsel for CC (the “Stipulations for Dismissal”);

d. In exchange for the Settlement Payment, Personal Covenant and executed Stipulations for Dismissal CC shall within ten (10) business days of the receipt of the Settlement Payment release the civil penalties, liens, inspection fees and administrative citations assessed in Case # 20-10698, all of which are detailed in the Recitals.

3. **Releases.** Limited solely to the litigation in Case No. A-22-847374-W and the civil penalties, liens and administrative citations that pertain to Clark County Code Enforcement Case # 20-10698 and concurrent with the Settlement Payment and Personal Covenant, the Parties (and each of their respective assigns, partnerships, business entities, affiliates, agents, directors, officers, shareholders, subcontractors, suppliers, agents, employees, representatives, partners, members, owners, predecessors, and successors, and each of them, as well as their lenders, insurance carriers and surety carriers), shall have fully released, waived and discharged the other Parties, and each of them, for, from and against any and all claims, actions, causes of action, demands, rights, agreements, promises, warranties, guarantees, liabilities, losses, damages, costs and expenses, of every nature and character, description and amount, known or unknown, without limitation or exception, whether based on theories of contract, breach of contract, breach of the covenant of good faith and fair dealing, tort, violation of statute or ordinance, fraud, conversion, or any other theory of liability or declaration of rights whatsoever, arising from or in any way related to the civil penalties, liens and administrative citations in Clark County Code Enforcement Case # 20-10698 (collectively, the “Claims”). Notwithstanding the foregoing, the Parties expressly reserve

and do not waive any Claims arising out of or relating to a breach of this Settlement Agreement which Claims shall survive this Settlement Agreement.

The Parties acknowledge that they may hereafter discover claims or facts now unknown or unsuspected from those which they now know or believe to be true with respect to the Release of the civil penalties, liens and administrative citations as contained in this Settlement Agreement. Nevertheless, by way of this Settlement Agreement and except as otherwise provided herein, (i) the Parties intend to fully, finally, and forever waive, discharge and release any and all such civil penalties, liens and administrative citations and Claims even those that may be unknown as of the Effective Date of this Settlement Agreement, and (ii) the Releases contained in this Settlement Agreement shall remain in full force and effect as a complete release of any and all such Claims notwithstanding the discovery or existence of any such additional or different claims or facts before or after the Effective Date of this Settlement Agreement.

4. **Indemnity and Hold Harmless.** The Parties to this Release represent and warrant that they are the sole and exclusive owner of the rights, claims and causes of action herein released, and that they are free of any pledges, charges, equities, claims, covenants, liens or encumbrances in favor of any other person, firm or institution, and they have not heretofore assigned or transferred or purported to assign or transfer to any other person or entity any obligations, rights, claims or causes of action asserted by any person or entity which, if established, would be a breach of the above warranties and representations, and in the event of any and all loss, expenses and/or liability arising directly or indirectly out of the breach of any of the foregoing representations, the party making the warranty or representation shall appear in and defend the action on behalf of the affected beneficiary or beneficiaries of the warranty or representation, at the maker's own sole cost and expense.

GALLAGHER covenants and agrees on its own behalf and on behalf of its successors, assigns, insureds, representatives, administrators and executors that it will not, at any time hereafter, commence, maintain or prosecute any action or otherwise serve any claim against CC, or its agents, representatives, servants or employees, or the successors or assignees of one another for damages or losses of any kind or amount arising in any manner out of the events which are the subject of the Litigation, except as otherwise specifically provided herein or in the Settlement Agreement.

GALLAGHER agrees to release, discharge and covenants to hold harmless, on its behalf and on behalf of its successors, assigns, representatives, administrators and executors, CC and its agents, representatives, servants and employees and its successors and assignees or any of them, from any and all liens, claims, demands, damages, costs, expenses, loss of services, actions and causes of action arising in any manner from any acts or events up to the present or in the future whether foreseen or unforeseeable, known or unknown, of any kind, sustained or that may hereafter be sustained by CC arising in any manner out of the events which are the subject of the Litigation, and to bind it, its successors, assignees, administrators, representatives and executors to indemnify herein CC and its agents, representatives, servants and employees, and its successors and assigns or any of them, from and against any additional sum of money or other cost or expense that GALLAGHER, its agents, representatives, servants or employees, or their successors or assigns or any of them, may be compelled to pay on account of any injuries, damages or other losses occurring or alleged to have occurred as a result of the events which are the subject of the

Litigation or from the Litigation itself, except as otherwise specifically provided herein or in the Settlement Agreement.

5. **No Admission of Liability.** This Settlement Agreement is intended as a compromise of disputed claims. This Settlement Agreement and compliance with its terms shall not be construed as an admission of any liability, misconduct, or wrongdoing whatsoever, or of any violation of any order, law, statute, duty, or contract whatsoever as to any of the Parties to this Settlement Agreement.

6. **Entire Agreement.** This Settlement Agreement sets forth the entire understanding between the Parties in connection with the subject matter discussed herein, and may not be modified except by an instrument in writing signed by all Parties.

7. **Construction.** This Settlement Agreement has been jointly prepared by all Parties hereto. The Parties and their respective advisors believe that this Settlement Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against any Party.

8. **Attorney Representation.** In negotiation, preparation and execution of this Settlement Agreement, the Parties hereby acknowledge that each Party has been represented by counsel, that each Party has had an opportunity to consult with an attorney of its own choosing prior to the execution of this Settlement Agreement, and has been advised that it is in its best interests to do so. The Parties have read this Settlement Agreement in its entirety and fully understand the terms and provisions contained herein.

9. **Governing Law.** This Settlement Agreement is intended to be performed in the State of Nevada, and the laws of Nevada shall govern its interpretation and effect. The Parties hereto consent to the exclusive jurisdiction of any State court located in the County of Clark, State of Nevada, for any action commenced hereunder.

10. **Severability.** If any term or provision of this Settlement Agreement shall be deemed to be invalid or unenforceable to any extent, the remainder of this Settlement Agreement will not be affected thereby, and each remaining term and provision of this Settlement Agreement will be valid and be enforced to the fullest extent permitted by law.

11. **Counterparts; Electronic Signatures.** This Settlement Agreement may be executed in one or more counterparts, each which shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties. The Parties agree that electronic signatures will be treated in all manner and respects as a binding and original document, and the signature of any Party shall be considered for these purposes as an original signature.

12. **Successors and Assigns.** This Settlement Agreement is binding upon and inures to the benefit of the successors, assigns, and nominees of the Parties hereto.

13. **Titles and Headings.** Titles and headings of Sections of this Settlement Agreement are for convenience of reference only and shall not affect the construction of any provisions of this Settlement Agreement.

14. **Further Documents.** Each Party agrees to perform any further acts and to execute and deliver any further documents reasonably necessary or proper to carry out the intent of this Settlement Agreement.

15. **Acknowledgment.** The Parties acknowledge and agree that they were supplied a copy of this Settlement Agreement, that they or their authorized representative has carefully read and understands the Settlement Agreement, that they have been advised as to the content of this Settlement Agreement by counsel of their own choice, and that they voluntarily accept the terms and conditions of this Settlement Agreement.

16. **Authority.** The Parties, and each of them, represent and warrant that each Party hereto holds the requisite power and authority to enter into this Settlement Agreement.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the day and year first above written.

**CLARK COUNTY**

**RICHARD GALLAGHER**



By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Richard Gallagher

Its: \_\_\_\_\_

Its: \_\_\_\_\_