

# NEVADA GOLD & CASINOS INC

## **FORM 8-K** (Current report filing)

Filed 02/02/17 for the Period Ending 02/01/17

Address	133 E. WARM SPRINGS ROAD SUITE 102 LAS VEGAS, NV 89119
Telephone	(702) 685-1000
CIK	0000277058
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Industry	Casinos & Gaming
Sector	Consumer Cyclical
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

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WASHINGTON, D.C. 20549

FORM 8-K  
CURRENT REPORT

Pursuant To Section 13 or 15 (d) of the  
Securities Exchange Act of 1934

Date of Report (date of earliest event reported):

February 1, 2017

**NEVADA GOLD & CASINOS, INC.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or  
organization)

**1-15517**

(Commission File Number)

**88-0142032**

(I.R.S. Employer Identification No.)

**133 E. Warm Springs Road, Ste 102  
Las Vegas, Nevada**

(Address of principal executive offices)

**89119**

(Zip Code)

**(702) 685-1000**

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02(e). Compensatory Arrangements of Certain Officers.**

On February 1, 2017, Nevada Gold & Casinos, Inc. (the “Company”) entered into a new employment agreement (the “Agreement”) with Victor H. Mena, Vice President of Washington Operations for the Company.

Pursuant to the Agreement which is for a three year term, with an early termination provision, Mr. Mena will receive an annual salary of \$215,000. The Agreement provides for (i) contributions to the Company’s saving and other retirement plans at a rate at least as great as the Company contributes for its other senior employees; (ii) major medical and health insurance; and (iii) customary reimbursement for travel and entertainment. In addition, Mr. Mena will be eligible for an annual bonus equal to 50% of his annual salary for achieving reasonable goals related to the Company’s profitability.

There are no arrangements or understandings between Mr. Mena and any other person pursuant to which he was selected as Vice President of Washington Operations. He has no family relationship with any officer or director of the Company or has been involved with a related transaction or relationship as defined by Item 404(a) of Regulation S-K between the Company and him.

The foregoing description of the Agreement is intended to be a summary and is qualified in its entirety by reference to the document, which is attached as Exhibit 10.1 and is incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits. The following exhibits are furnished as part of this current Report on Form 8-K:

10.1 Employment Agreement dated February 1, 2017 between Nevada Gold & Casinos, Inc. and Victor H. Mena

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned who is duly authorized.

NEVADA GOLD & CASINOS, INC.

Date: February 1, 2017

By: /s/ Michael P. Shaunnessy

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Michael P. Shaunnessy  
President & Chief Executive Officer

**INDEX TO EXHIBITS**

<u>Item</u>	<u>Exhibit</u>
10.1	Employment Agreement dated February 1, 2017 between Nevada Gold & Casinos, Inc. and Victor H. Mena

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**EMPLOYMENT AGREEMENT**

THIS EMPLOYMENT AGREEMENT (“Agreement”) shall be effective as of the 1<sup>st</sup> day of February, 2017 by and between VICTOR H. MENA (“Employee”) and NEVADA GOLD & CASINOS, INC., a Nevada corporation (“Employer” or “the Company”).

WHEREAS, Employer is in the business of developing, owning, and operating gaming facilities and entertainment facilities in the United States; and

WHEREAS, the Employee and the Company are parties to that certain Employment Agreement dated May 1, 2013, as amended on January 20, 2015 (the “Original Employment Agreement”);

WHEREAS, the Original Employment Agreement, as amended, expires on May 1, 2017 and Employee and the Company have agreed to enter into a new employment agreement replacing and superceding the Original Employment Agreement in its entirety as follows:

1. **EMPLOYMENT**. Employee agrees to continue his employment as the Vice President of Washington Operations of Nevada Gold and Casinos, Inc., commencing on February 1, 2017, under the terms and conditions of this Agreement.
2. **TERM**. The term of this Agreement is for a three year period commencing on the date hereof.
3. **DUTIES AND TITLE**. Employee’s title shall be that of Vice President of Washington Operations. Employee shall have management responsibility for all of the day to day operations of Employer in the State of Washington including acting as the Chief Operating Officer of the Employer’s mini-casinos. Employee shall report to the Chief Executive Officer of the Company. Employee shall perform his duties to the best of his abilities and shall devote substantially all of his working time to such duties.
4. **COMPENSATION**. Employer hereby agrees to provide Employee with the following compensation package which shall be reviewed annually by Employer’s Compensation Committee:
  - (a). **Salary**. Employer shall pay Employee an annual salary in the amount of Two Hundred Fifteen Thousand (\$215,000) payable in the same manner as Employer pays its other executive employees, less required state and federal withholdings (the “Annual Salary”).

(b). **Vacation and Fringe Benefits**. Employee shall be entitled to one (1) month paid vacation each year. In addition, and subject to the terms of any plans or policies governing such matters, Employee shall be entitled to receive (i) contributions to Employer's savings and other retirement plans at a rate at least as great as Employer contributes for its other senior executive employees; (ii) major medical and health insurance; and (iii) customary reimbursement for travel and entertainment.

(c). **Performance Bonuses**. Employee shall be eligible for yearly bonuses equal to 50% of his annual salary for achieving reasonable goals related to profitability established in the first 30 days of the fiscal year by the Board of Directors and/or the Compensation Committee.

(d). **Stock Options**. All Stock Options previously granted to Employee shall continue to be in effect and be subject to the same terms and conditions under the Employer's stock option plan.

5. **TERMINATION AND COMPENSATION UPON TERMINATION.**

(a) **Termination without Cause by Employer**. Employer may terminate Employee's employment at any time without Cause (as defined in Section 5(c) below) by giving prior, written notice to Employee. In such case, Employer shall pay the Annual Salary to Employee for a twelve month period following termination of employment plus a pro rata performance bonus, accrued vacation and fringe benefits. Employer shall pay Employee on the same pay dates on which and in the manner by which it pays its current employees. All stock options granted but not vested shall become fully vested in Employee. For purposes of calculating the performance bonus, if same is due to Employee in the event of such termination, Employer shall apply the same percentage of performance bonus paid in the fiscal year preceding the fiscal year during which the termination became effective, prorated for the portion of the fiscal year that transpired prior to the termination.

(b) **Change of Control**. Employer may terminate Employee's employment in the event of a "Change of Control" defined as the sale of substantially all of the Employer's assets, acquisition by a third party of more than 50% of Employer's stock, merger, or other business combination with an unaffiliated entity or person. In the event of such a termination, Employer shall pay to Employee in a lump sum an amount equal to twelve months Annual Salary plus pro rata performance bonus, accrued vacation, and fringe benefits. In addition, all stock options granted but not yet vested shall immediately become fully vested in Employee. Employee must give notice of any termination under this subsection within thirty (30) days of the occurrence of the event he believes gives rise to a Change of Control. For purposes of calculating the performance bonus, if same is due to Employee in the event of such termination, Employer shall apply the same percentage of performance bonus paid in the fiscal year preceding the fiscal year during which the termination becomes effective, prorated for the portion of the fiscal year that transpired prior to the termination.

(c) Termination for Cause. Employer may terminate Employee's employment for "Cause" at any time. Such a termination shall be effective as specified by Employer. In the event of a termination by Employer for "Cause," Employee shall be entitled only to his salary, accrued vacation, and fringe benefits through the effective date of termination. Any unvested stock options shall be forfeited. All stock options granted which have vested will be treated as prescribed under Employer's Stock Option Plan and the Stock Option Agreement. "Cause" means: (i) the Employee's conviction of, or entry of a plea agreement or consent degree or similar arrangement with respect to, a felony, other serious criminal offense or offense involving moral turpitude, or any violation of federal or state securities law; (ii) Employee's material violation of Employer's written policies; (iii) Employee's material breach of this Agreement, (iv) the final revocation, suspension, or impairment (after all applicable appeals) of Employee's gaming license in any jurisdiction in which Employer is required to have a gaming license, or a finding (after all applicable appeals) by any authority in any such jurisdiction that Employee is unsuitable to hold a gaming license; or (v) Employee's gross misconduct in the performance of Employee's duties hereunder. Any termination of the Employee's employment by Employer pursuant to this Section 5 (c) shall be communicated by a notice of termination which shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision invoked.

(d) Termination due to Inability to Perform Essential Functions. Employer may terminate Employee's employment if Employee becomes unable to perform the essential functions of his position due to disability for a period greater than six months despite any reasonable accommodation required by law. In the event of a termination under this subsection, Employee shall be entitled only to his salary, accrued vacation, and fringe benefits for a period of one (1) year following the effective date of termination and thereafter to any benefits to which Employee is entitled under the Company's disability policy. In the case of granted but unvested stock options, those unvested stock options which would become vested within such one (1) year period shall become vested and the remaining granted but unvested stock options shall be forfeited. Otherwise, the stock options will be treated as prescribed under Employer's Stock Option Plan and the Stock Option Agreement.

## **6. CONFIDENTIALITY, PROPERTY, COMPETITION, SOLICITATION.**

(a) Ownership. Employee agrees that all inventions, copyrightable material, business and/or technical information, marketing plans, customer lists and trade secrets which arise out of the performance of this Agreement are the property of Employer.

(b) Confidentiality. Except as is consistent with Employee's duties and responsibilities within the scope of his employment with Employer, Employee agrees to keep confidential indefinitely, and not to use or disclose to any unauthorized person, information which is not generally known and which is proprietary to Employer, including all information that Employer treats as confidential, ("Confidential Information"). Upon termination of Employee's Employment, Employee will promptly turn over to Employer all software, records, manuals, books, forms, documents, notes, letters, memoranda, reports, data, tables, compositions, articles, devise, apparatus, marketing plans, customer lists and other items that disclose, describe or embody Confidential Information including all copies of the Confidential Information in his possession, regardless of who prepared them.

(c) **Non-competition**. If Employee's employment hereunder is terminated as a result of the application of paragraph 5(c), or if Employee voluntarily terminates his employment during the term of this Agreement, then for a period of one (1) year after the effective date of termination. Employee agrees not to compete, directly or indirectly (including as an officer, director, partner, employee, consultant, independent contractor, or more than 5% equity holder of any equity) with Employer in any way concerning the ownership, development or management of any gaming operations or facility within a 25-mile radius of any gaming operations or facility with respect to which Employer (or any of its affiliates) owns or renders substantial, paid, consulting or management services at the time of termination.

(d) **Non-solicitation**. Employee agrees not to solicit or recruit, directly or indirectly, any management employee of Employer for employment during the one (1) year period after termination of his employment relationship with Employer.

7. **NOTICES**. All notices and communications shall be sent by certified mail, return receipt requested, or by hand delivery, to the following parties:

If to Employee: Victor H. Mena  
3964 262 nd Ave SE  
Issaquah, WA 980292

If to Employer: Michael P. Shaunnessy  
Chief Executive Officer  
133 E. Warm Springs Road  
Suite 102  
Las Vegas, NV 89119

With a copy to: Ernest E. East  
Chief Compliance Officer  
Nevada Gold & Casinos, Inc  
133 E. Warm Springs Road  
Suite 102  
Las Vegas, NV 89119

8. **GOVERNING LAW AND VENUE**. This Agreement herein shall be construed, regulated and administered under the laws of the State of Washington and of the United States of America. Any lawsuit or other civil action brought arising from or related to Employee's employment with Employer or this Agreement shall be brought and maintained in a state or federal court in the State of Washington.

9. **BINDING EFFECT AND ASSIGNMENT**. This Agreement shall be binding on and inure to the benefit of the respective parties hereto, their heirs, successors and assigns. Subject to the provisions of Section 5(b), Employer may assign this Agreement in connection with a merger, consolidation, assignment, sale or other disposition of substantially all of its assets or business. This Agreement may not be assigned by Employee.

10. **MODIFICATION**. This Agreement may not be amended in any manner without the express, written consent of the parties hereto.

11. **ENTIRE AGREEMENT**. This Agreement supersedes all previous and contemporaneous oral negotiations, commitments, writings and understandings between the parties concerning the matters herein or therein.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on this 1<sup>st</sup> day of February, 2017.

**EMPLOYER**

**EMPLOYEE**

**By:**

\_\_\_\_\_  
Michael P. Shaunnessy  
Chief Executive Officer  
Nevada Gold & Casinos, Inc

\_\_\_\_\_  
Victor H. Mena