

SECURITY SERVICES AGREEMENT

This Security Services Agreement (hereinafter, referred to as the "Agreement") dated December 11, 2023 by and between **Turtle Run Foundation** (hereinafter, referred to as the "Client") and Sunstates Security, LLC (hereinafter, referred to as "Sunstates"), a North Carolina limited liability company. Sunstates and Turtle Run Foundation may be referred to herein individually as the "Party" or collectively as the "Parties".

BACKGROUND

Based upon its extensive experience in the field, Sunstates is prepared to and desires to provide certain services to Client as set forth herein. Client desires to contract with Sunstates for the performance of these services to be performed on Client's premises. NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. Services to be Provided: Sunstates will provide security services (hereinafter, referred to as the "Services") for Turtle Run Foundation at its facility or facilities (hereinafter, referred to as the "Premises") according to the specifications, specific hours and consideration of payment as described in **Attachment A** attached hereto and incorporated herein by reference. In performing such Services, Sunstates will do the following:

- A. Furnish, train, manage and direct all Sunstates employees in the performance of Services. Turtle Run Foundation shall have the right, upon written notice to Sunstates, to require the replacement of any Sunstates employee employed on the Premises whose continued presence, in the opinion of Client, is not in the best interest of Client or its employees, provided such replacement shall not contravene any local, State or Federal law. All Sunstates employees who provide Services under this Agreement shall comply with all applicable laws, ordinances, rules and regulations in the performance of Services, including but not limited to, all applicable Client policies and procedures, rules and regulations in effect at the time, all laws governing appropriate visa and work authorization, any and all applicable Client policies regarding background information, pre-employment testing and any other applicable requirements deemed appropriate by Client.
- B. Provide additional services (non-repetitive in nature) similar to, but not included in, the Services from time to time as agreed by the Parties in writing (hereinafter, referred to as the "Additional Services").

2. Costs to be Paid by Sunstates: The following costs will be paid by Sunstates:

- A. All compensation due as a result of Services performed by Sunstates employees working on the Premises.
- B. The cost of all payroll taxes, including federal, state and local taxes for employees who provide Services on Client's Premises; including by way of illustration but not limitation, federal and state income tax, social security tax, Medicare tax, unemployment insurance taxes, workers' compensation premiums, and any other taxes or employment fees as required. Sunstates shall indemnify, defend and hold harmless Client from any claim for payment of such items in connection with any payment made to Sunstates by Client for Services provided by any employee under this Agreement.
- C. The cost of any required uniforms for Sunstates employees.
- D. The cost of manuals, forms, training aids, office supplies, and long-distance telephone calls needed in performing the Services.
- E. The cost of Sunstates supporting operations management, human resources, accounting, legal, training and development, and general administrative functions.
- F. The cost of any pre-employment testing for Sunstates employees as required by Client policies and procedures in effect as of the date of this Agreement and applicable law.

3. Costs to be Paid by Client: The following costs will be paid by Client:



- A. The cost of copier use, internal Client email use, local telephone service, and internal Client telephone service.
- B. If applicable, should Client terminate the Agreement on or before one (1) year of continued Service, Client agrees to pay Sunstates one month of the bill rate for Sunstates to recover a portion of its startup costs.
- C. If applicable, should Client terminate the Agreement on or before the expected Term of the Agreement, and Sunstates has procured a vehicle for purchase or lease to support Client, Client will reimburse Sunstates for any out-of-pocket penalty and any remaining unamortized purchase or lease payments or Client may assume the remaining purchase or lease agreements provided Client are duly qualified.

4. Payments to Sunstates by Client: In consideration of Sunstates' performance of its obligations under this Agreement, Client shall make payments to Sunstates as described below:

- A. **Contract Price:** The fees shall be as noted in **Attachment A** for the first fifty-two (52) weeks of this Agreement and each subsequent fifty-two (52) week period, or as amended in accordance with Subsection 4 (C) below (hereinafter, referred to as the "Contract Price"). The Contract Price shall be paid in twelve (12) monthly installments (hereinafter, referred to as the "Installment Payments") for Services rendered during the applicable one (1) month period.
- B. **Payment Terms:** The Installment Payments and payments for Additional Services shall be either: (i) made by electronic transfer to Sunstates designated bank account; or (ii) delivered to an address provided by Sunstates, (iii) paid by credit card or similar third-party service, whereas Client will pay any fees associated with charges made. The Installment Payments and payments for Additional Services shall be made no later than fifteen (15) days from the date of invoice.

C. **Contract Price Adjustments:** The Contract Price shall be adjusted as follows:

i. Annual Review: At the end of each fifty-two-week period, Client and Sunstates agree to review the Contract Price. Should either Party propose an adjustment in the Contract Price, the Parties shall negotiate in good faith any change thereto.

ii. Change in Tax Rates or Minimum Wage Rate: In the event of a change, including but not limited to social security taxes, Federal or State unemployment taxes, imposition of new Federal, State, or local laws and payroll taxes, including required health benefits, Paid Sick Leave, or in the event of a change in the Federal, State or local minimum wage applicable to any of Sunstates employees, the Contract Price and Additional Services shall be changed by the projected change in costs to Sunstates, if any, from the date of such change in such tax rates or the minimum wage rate. Such changes shall take place from the date such cost changes were enacted. Sunstates will provide Client with at least thirty (30) days' notice of the amount and timing of the change.

iii. Change in Services: Should the Parties request a change in the provision of Services, the Parties shall produce such changes in writing ~~and negotiate~~ ^{and negotiate} in good faith any change in the Contract Price and the Installment Payments as a result of the change in Services.

iv. Slow Payment: In the event that Client does not make payments on or before the dates due under this Agreement, Client shall pay interest at the rate of one and one-third percent (1.333%) per month (provided that if such rate exceeds the maximum permitted by law, then at the highest lawful rate) on overdue, undisputed amounts and, unless all undisputed overdue amounts are paid, Sunstates may, at its option, terminate this Agreement at any time after giving seven (7) days' prior written notice to Client, unless all overdue amounts are paid on or before the end of the notice period. In addition to the other remedies contained in this Agreement, Client agrees to pay all costs of collection, including, but not limited to, reasonable attorneys' fees, taxable and non-taxable costs, and expenses, including expert witness fees. In addition, any judgment entered in the litigation shall expressly provide, among other things, for the successful or prevailing Party's recovery, upon subsequent application to and approval of the Court, of any post-judgment attorney's fees and taxable and non-taxable costs and expenses incurred by such Party in enforcing and/or collecting upon the judgment, and the judgment shall further expressly reserve jurisdiction in the Court to award, modify and/or supplement the judgment for the purpose of awarding such fees and costs.

5. Term and Termination of Agreement:

- A. **Term:** This Agreement shall commence on the DATE, 2023, and shall continue until either Party provides the other with at least sixty (60) days advance written notice of cancellation. No termination of this Agreement will relieve Client of any liability for monetary sums owed to Sunstates.
- B. **Termination for Material Change in Financial Condition:** In the event a petition in bankruptcy is filed by or against either Party which is not dismissed within thirty (30) days thereafter, or if either Party is adjudicated as bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, composition, readjustment, liquidation or similar relief under any present or future statutes, law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, then the other Party may immediately terminate this Agreement in whole or in part. As permitted by law, Client will name Contractor as a

designated "critical supplier" in such circumstances to ensure continuity of critical Services during any reorganizing efforts.

- C. Termination for Pattern of Slow Payment: In the event that Client does not make payments on or before the dates due under this agreement. As outlined in Section 4 (C) (iv) for consecutive months or two or more months within the term of this Agreement. Sunstates may provide fourteen (14) days written notice of cancellation.

[THIS SECTION WAS INTENTIONALLY LEFT BLANK] ☐

6. Insurance:

- 1 A. Minimum levels of insurance: Sunstates shall procure and maintain at its sole expense throughout the term of this Agreement, the following minimum levels of insurance coverages:
09/01/2022

i. Workers' Compensation and Employer's Liability Insurance covering obligations imposed by federal and state statutes with jurisdiction over Sunstates' employees.

ii. Property Insurance covering Sunstates' personal property now or hereafter located on Client's Premises against "All Risk" of Loss within an amount at least equal to replacement value. "All Risk" shall mean at a minimum coverage for Special Causes of Loss perils.

iii. Commercial General Liability Insurance providing coverage for Sunstates' operations with minimum limits of liability not less than the limits shown below:

Limits:

General Aggregate:	\$2,000,000
Products-Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$ 100,000
Medical Expense (any one person)	\$ 10,000

iv. Umbrella Liability Insurance providing excess coverage over the underlying Commercial General Liability and Employers Liability policies with a limit of \$5,000,000 per occurrence/aggregate.

v. Employee Dishonesty Coverage for the acts of Sunstates' employees in an amount no less than \$500,000.

Sunstates shall, at Client's request, furnish a Certificate of Insurance to Client clearly evidencing this coverage and naming Client as Additional Insured's on such policies, as appropriate.

- B. Vehicle Usage: Client acknowledges and agrees that only vehicles owned or leased directly by Sunstates will be insured by Sunstates under its vehicle insurance policy. Client acknowledges and agrees that Sunstates employees will not operate Client vehicles, whether on the Premises or off, without prior written authorization from Sunstates executive management. Notwithstanding the above, should Client (or its agent) direct Sunstates personnel to operate a Client vehicle on or off the Premises, Client acknowledges and agrees that such operation will be insured under Client's vehicle insurance policy.

- C. Waiver of Rights of Recovery and Waiver of Rights of Subrogation: Client and Sunstates waive all rights of recovery against the other for loss or damage covered by any property insurance maintained by Client or Sunstates. Client and Sunstates further waive all rights of subrogation against each other for loss or damage

this Agreement require an endorsement to provide for the waiver of subrogation set forth above, then Client and Sunstates, as the case may be, will cause them to be so endorsed.

7. Liability and Indemnification:

Unless caused by intentional act or negligence attributable to its owners, affiliated entities, officers, directors, employees, contractors, agents or other representatives, Client shall not be liable for any injury or damage to Sunstates, its owners, affiliated entities, employees, contractors, agents or other representatives, or any property belonging to Sunstates, that results from the performance by Sunstates of its obligations under this Agreement. Except for those claims arising in whole or in part from the intentional or negligent acts of the owners, affiliated entities, officers, directors, employees, contractors, agents or other representatives of Client, Sunstates hereby agrees to indemnify, save harmless and defend (until the exhaustion of its insurance coverage's required herein), Client, its ^{09/09/2022} affiliated entities, officers, directors, employees, contractors, agents or other representatives, from all claims, losses, damages, suits, demands, actions, judgments, executions, incidents, and against all costs, expenses and liability arising directly or indirectly from any cause whatsoever in connection with the performance by Sunstates of its obligations under this Agreement. In no event shall either Party be liable to the other for loss of profits, injury to business goodwill or other consequential or incidental damages. A Party seeking indemnity for any third-party claim must promptly notify the other Party after becoming aware of any such claim in order to be indemnified for such claim.

8. Force Majeure:

Neither Party shall be liable for the failure to perform their respective obligations under this Agreement when such failure is caused by fire, explosion, water, act of God or unavoidable accident, pandemic event, civil disorder or disturbance, strikes, vandalism, war, riot, sabotage, weather or energy related closing, governmental rules or regulations, or like causes beyond the reasonable control and without the fault or negligence of such Party, or for real or personal property destroyed or damaged due to such causes.

9. Ancillary Commitments and Responsibilities:

- A. **Confidential and Proprietary Information:** Client may provide Sunstates and its employees/agents with access to proprietary and confidential business, financial and technical information (hereinafter, referred to as the "Confidential Information") as deemed reasonably necessary by Client for Sunstates to carry out its obligations under this Agreement. Sunstates agrees, on behalf of its officers, agents, directors and employees, to hold in strictest confidence all such Confidential Information that is provided by Client or that Sunstates becomes aware of as a result of the Services provided under this Agreement. Sunstates further agrees that any and all Confidential Information provided to it by Client under this Agreement, as well as any documents or data prepared by Sunstates which reflect such Confidential Information, shall remain the sole property of Client and cannot be used by Sunstates for any activity outside of this Agreement, except with the express written consent of Client. Sunstates further agrees that it shall not disclose, transfer, self-publish or otherwise make to any other person or entity any such Confidential Information without the prior written consent of Client, except as required by law.
- B. **Independent Contractor:** The Parties agree that in all aspects their relationship will be that of an independent contractor, and that neither Party will act or represent that it is acting as an agent or incur any obligation on the part of the other Party.
- C. **Employment Commitment:**
1. Sunstates and Client agree that at no time during the term of this Agreement, and for a period of two (2) years immediately following the termination or expiration thereof, will either in any way directly or indirectly, for themselves or on behalf of, or in conjunction with any other person, firm, partnership, corporation, or association, solicit for the purposes of hire, hire, employ or take away any of the other's management personnel. For purposes of this Section C, "management personnel" shall include all Sunstates Management personnel not permanently assigned to the Client Premises.
 2. Recognizing that significant time and expense is incurred by Sunstates in recruiting, screening, hiring, and training its employees, Client further agrees that if, during the term of this Agreement or within a period of one (1) year immediately following the termination or expiration thereof, it elects to directly employ any Sunstates employee who is not "management personnel", then Client shall so notify Sunstates and shall compensate Sunstates the amount equal to one (1) month's standard invoice rate for the specified position at the rates set forth in Attachment 'A', such amount to be received by Sunstates at least five (5) business days prior to such employee's first day of employment with Client.

10. Miscellaneous Provisions:

A. Severability: If any provision of this Agreement is declared unenforceable for any reason, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect.

B. Interpretation, Applicable Law and Venue: This Agreement has been negotiated at arm's length and between the Parties hereto, both of which are sophisticated and knowledgeable in the matters dealt with in this Agreement. Each Party has been or could have been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law or legal decision that would require interpretation of any ambiguities in this Agreement to be interpreted against the Party that has drafted it is not applicable and is waived. This Agreement shall be subject to and enforceable under the laws of the State of North Carolina. Any and all actions between the Parties regarding or arising out of this Agreement shall be venued in a court of competent jurisdiction in the State of North Carolina. The Parties agree to appear in a court of competent jurisdiction in the State of North Carolina, consenting to the jurisdiction of such court, and waiving any objections or defenses as might exist as to venue or personal jurisdiction.

C. Binding: This Agreement shall inure to and bind all Parties, their successors, assigns, agents or representatives.

D. Survival: The rights and obligations set forth hereunder survive termination.

E. Entire Agreement: This Agreement contains the entire agreement between the Parties. All prior negotiations between the Parties are merged in this Agreement, and there are no understandings or agreements other than those incorporated or referred to herein. This Agreement may not be modified except by an instrument in writing signed by both Parties. This Agreement may not be assigned by either Party without the written consent of the other Party. Such consent shall not be unreasonably withheld.

F. Headings: The section headings used herein are for convenience only and shall not affect the construction hereof.

G. Assignment: No Party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party hereto. Any assignment contrary to the provisions of this Section shall be null and void.

H. Notices: All notices, demands, and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt, or mailed, postage prepaid, registered or certified or registered mail, return receipt requested, properly addressed and postage prepaid, or by overnight mail by a reputable carrier, and addressed to the Company at:

□

TO Sunstates:

Attn: Legal Department
Sunstates Security, LLC
801 Corporate Center Drive, Suite 300
Raleigh, NC 27607

TO Client:

Christopher Kapish, President
Turtle Run Foundation
7932 Wiles Road
Coral Springs, FL 33067

1 or at any other address as may be given by either Party to the other by notice in writing pursuant to the provisions of this Section. 09/01/2022

11. Execution of Contract: The Parties to this Agreement have executed this Agreement through its authorized representatives as of the day and year last written below.

[signature page follows]

ATTACHMENT

A SECURITY SERVICES AGREEMENT

Company:	Turtle Run Foundation		
Contact:	Christopher Kapish, President		
Location:	7932 Wiles Road, Coral Springs, FL 33067		
Phone Number:	954-802-0536	Email:	CKapish@Bellsouth.net
Effective Date:	December		

Position	Hours Per Week	Pay Rate	Invoice Rate
Unarmed Security Officer	56	\$22.00	\$35.12
Marked Security Vehicle			\$1,135.93/month
Fuel			Direct billed

*The holiday rate (1.5 times rates shown above) will apply for the following six (6) holidays per year: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Overtime rate (1.5 times rates shown above) shall apply when Client requests additional coverage exceeding five percent of the contracted permanent weekly coverage hours or has provided less than fourteen days prior notice to facilitate proper planning.

TYPE OF SERVICE:	Security Services
SPECIAL EQUIPMENT:	Marked security vehicle

ACKNOWLEDGED AND AGREED TO BY:

CLIENT SUNSTATES SECURITY, LLC

Signature: _

Signature: 

David Kleiman

Print: _

Print: 

David Kleiman

ACKNOWLEDGED AND AGREED TO BY:

CLIENT **SUNSTATES SECURITY, LLC**

Signature: _

Signature: 

David Kleiman

Print: _

Print: 

David Kleiman

Title: _

Title: 

VP, General Counsel

Date: _

Date: 

02/02/2024

Title: _

Title: President

Date: _

Date: 01.27-24