



1 Case No. 14-386-LL

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STATE OF NEVADA

5

BEFORE THE NEVADA GAMING COMMISSION

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In the Matter of:

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Petition for Redetermination filed by
FP HOLDINGS, L.P., dba
PALMS CASINO RESORT

STIPULATION FOR
SETTLEMENT AND ORDER

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Concerning Statement of Determination,
dated November 13, 2014

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Petitioner, FP HOLDINGS, L.P., dba PALMS CASINO RESORT (PALMS), and the
NEVADA GAMING CONTROL BOARD (BOARD) hereby stipulate and agree that the Petition
for Redetermination in Case No. 14-386-LL shall be settled on the following terms:

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1. On or about November 13, 2014 the BOARD, through its Tax and License Division,
served a Statement of Determination prepared by the BOARD's Audit Division upon the
PALMS assessing additional Live Entertainment Tax (LET) for the period of December 1,
2011 through December 31, 2013. On December 16, 2014, the PALMS timely filed a Petition
for Redetermination (Petition) pursuant to Nevada Revised Statute (NRS) 463.3883 and
Nevada Gaming Commission (Commission) Regulation 6.170 partially contesting the
BOARD'S assessment. On or about February 20, 2015, the PALMS filed its Points and
Authorities in Support of Petition for Redetermination. On or about April 27, 2015, the BOARD
filed its Points and Authorities in Opposition to Petition for Redetermination. On or about June
5, 2015, the PALMS filed its Reply in Support of Petition for Redetermination.

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2. The PALMS and the BOARD agree, as full and final settlement of the Petition for
Redetermination in Case No. 14-386-LL, to the following:

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a. The PALMS agrees to pay, and the BOARD agrees to accept, live entertainment
tax in the amount of THREE HUNDRED FIFTEEN THOUSAND DOLLARS AND NO CENTS

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(\$315,000.00), inclusive of interest.

1 b. Payment shall be made to *State of Nevada-Nevada Gaming Commission* on or
2 before the Commission approves this Stipulation for Settlement, anticipated to be October 22,
3 2015, and shall be by a method of electronic payment approved by the Tax and License
4 Division of the BOARD pursuant to NRS 353.1467. Interest shall accrue for each day
5 thereafter on any unpaid balance in accordance with NRS 463.370(7) and NRS 17.130.

6 3. This Stipulation for Settlement is made for the purposes of avoiding litigation and
7 economizing resources and does not constitute an admission of liability on the part of the
8 BOARD or the PALMS, nor shall it operate or be construed as any precedent for the validity or
9 invalidity of any legal position taken in this matter by either party. This settlement is made
10 exclusively between the BOARD and the PALMS, and no licensee may rely upon it for any
11 purpose.

12 4. The PALMS fully understands and voluntarily waives any right it may have to a
13 public hearing on the Petition for Redetermination, in Case No. 14-386-LL and its right to
14 pursue judicial review of the Petition for Redetermination in state district court or otherwise
15 contest this matter in any court of competent jurisdiction.

16 5. The PALMS, for itself, its heirs, executors, administrators, successors, and assigns,
17 hereby releases, dismisses, and forever discharges the State of Nevada, the Nevada Gaming
18 Commission, the Nevada Gaming Control Board, the Nevada Attorney General and each of
19 their members, agents, and employees in their individual and representative capacities from
20 any and all manner of actions, causes of action, suits, debts, judgments, executions, claims,
21 and demands whatsoever known or unknown, in law and equity, that the PALMS ever had,
22 now has, may have, or claims to have against any and all of the persons or entities named in
23 this paragraph arising out of, or by reason of, this Petition for Redetermination, Case No. 14-
24 386-LL, or any other matter relating thereto.

25 6. The PALMS, for itself, its heirs, executors, administrators, successors, and assigns,
26 hereby indemnifies and holds harmless the State of Nevada, the Nevada Gaming
27 Commission, the Nevada Gaming Control Board, the Nevada Attorney General, and each of
28 their members, agents, and employees in their individual and representative capacities

1 against any and all claims, suits, actions, debts, damages, costs, charges, and expenses,
2 including court costs and attorney's fees, and against all liability, losses, and damages of any
3 nature whatsoever that the persons and entities named in this paragraph shall or may at any
4 time sustain or be put to by reason of this Petition for Redetermination, Case No. 14-386-LL,
5 or any other matter relating thereto.

6 7. The PALMS enters into this Stipulation freely and voluntarily. The PALMS confirms
7 that this settlement is not a result of force, threats, or any other type of coercion or duress, but
8 is the product of negotiations between representatives of the PALMS and the BOARD.

9 8. The PALMS affirmatively represents that if the PALMS, this Stipulation and Order,
10 and/or any amounts distributed under this Stipulation and Order are subject to, or will become
11 subject to, the jurisdiction of any bankruptcy court that the bankruptcy court's approval is not
12 necessary for this Stipulation and Order to become effective or the bankruptcy court has
13 already approved this Stipulation and Order.

14 9. The PALMS and the BOARD recognize and agree that the Nevada Gaming
15 Commission has the sole and absolute discretion to determine whether to accept this
16 Stipulation for Settlement. The PALMS and the BOARD hereby waive any right they may
17 have to challenge the impartiality of the Nevada Gaming Commission to hear and consider the
18 facts and matters embraced in the Petition for Redetermination, Case No. 14-386-LL, in the
19 event the Nevada Gaming Commission does not accept this Stipulation for Settlement.

20 10. This Stipulation for Settlement shall not become effective until such time as it is
21 approved by the Nevada Gaming Commission. Such approval shall not constitute an
22 admission of liability on the part of the Nevada Gaming Commission.

23 11. The PALMS fully understands and voluntarily waives the 21-day and the five-day
24 notice requirements found under NRS 241.033 and 241.034, including the content

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Office of the Attorney General
Gaming Division
5420 Kietzke Lane, Suite 202
Reno, Nevada 89511

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requirements of such notices, in relation to any hearing before the Nevada Gaming Commission on this stipulated settlement agreement that may be held.

F.P. HOLDINGS, L.P., dba
PALMS CASINO RESORT

NEVADA GAMING CONTROL BOARD

By:  9.28.15
Date
HANK VAN SON
Vice President of Finance

 10/5/15
Date
A.G. BURNEPT, Chairman

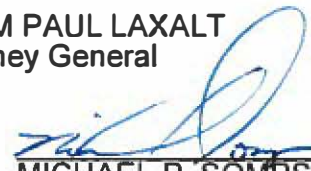
LEWIS ROCA ROTHGERBER LLP

 10/5/15
Date
SHAWN R. REID, Member

By:  9/29/15
Date
MARLA HUDGENS, ESQ.
Attorneys for Petitioner

 10/5/15
Date
TERRY JOHNSON, Member

ADAM PAUL LAXALT
Attorney General

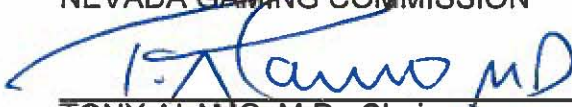
By:  10/5/15
Date
MICHAEL P. SOMPS
Senior Deputy Attorney General
Attorneys for Nevada Gaming Control Board

ORDER

IT IS SO ORDERED IN CASE NO. 14-386-LL.

DATED this 22 day of October, 2015.

NEVADA GAMING COMMISSION


TONY ALAMO, M.D., Chairman