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OCT 26 2009  
NEVADA GAMING COMMISSION  
CARSON CITY, NEVADA

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NGC 09-03

**STATE OF NEVADA**  
**BEFORE THE NEVADA GAMING COMMISSION**

STATE GAMING CONTROL BOARD,  
Complainant,  
vs.  
COMSTOCK GAMES, INC.  
Respondent.

**STIPULATION FOR  
SETTLEMENT AND ORDER**

The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD), Complainant herein, filed a Complaint, NGC Case No. 09-03 against the above-captioned RESPONDENT, COMSTOCK GAMES, INC., alleging certain violations of the Nevada Gaming Control Act and Regulations of the Nevada Gaming Commission.

IT IS HEREBY STIPULATED AND AGREED to by the BOARD and RESPONDENT that the Complaint, NGC Case No. 09-03, filed against RESPONDENT in the above-entitled case shall be settled on the following terms and conditions:

1. RESPONDENT admits each and every allegation set forth in the Complaint, NGC Case No. 09-03.
2. RESPONDENT fully understands and voluntarily waives the right to a public hearing on the charges and allegations set forth in the Complaint, the right to present and cross-examine witnesses, the right to a written decision on the merits of the Complaint, which must contain findings of fact and a determination of the issues presented, and the right to obtain judicial review of the Nevada Gaming Commission's decision.
3. RESPONDENT agrees to the following in full settlement and satisfaction of the allegations set forth in the Complaint, NGC Case No. 09-03:

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

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- a. RESPONDENT shall pay a fine in the total amount of FOUR THOUSAND DOLLARS (\$4,000.00) made payable to the *State of Nevada-Nevada Gaming Commission* on the date this stipulated settlement agreement is accepted by the Nevada Gaming Commission. Interest on the fine shall accrue at 5.25 percent per annum on any unpaid balance computed from the date payment is due until payment is made in full.
- b. RESPONDENT's slot route operator's license shall be limited for a period of two (2) years from the date this stipulated settlement agreement is accepted by the Nevada Gaming Commission, after which time the license shall expire.
- c. RESPONDENT's slot route operator's license shall be conditioned as follows:
  - i. In the event that one of RESPONDENT's locations or patrons attempts to contact RESPONDENT, a representative of RESPONDENT must respond, either by telephone or personally to the location, within one (1) hour. In the event RESPONDENT is notified that either the hopper of RESPONDENT's slot machine is empty or that a patron of RESPONDENT is awaiting payment, a representative of RESPONDENT must physically respond to the location within one (1) hour.
  - ii. RESPONDENT shall maintain, or shall cause to be maintained, a log of the following:
    - 1. The date, time and description of each contact made by a location or a patron to RESPONDENT.
    - 2. The date and time of each visit to each of RESPONDENT's slot machine locations and the reason for such visit.
    - 3. In the event a slot machine of RESPONDENT's is out of service or non-operational, the reasons for such inoperability and a description of subsequent maintenance.

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- iii. In the event that a Gaming Control Board agent attempts to contact RESPONDENT, a representative of RESPONDENT must respond, either by telephone or personally, within one (1) hour.
- iv. In the event that any of RESPONDENT's slot machines is out of service or non-operational for longer than twenty-four (24) hours from when RESPONDENT knows or should know of such condition, RESPONDENT shall notify the Gaming Control Board's Enforcement Division within twenty-four (24) subsequent hours.
- v. In the event that any of RESPONDENT's slot machines is out of service for longer than seventy-two (72) hours from when RESPONDENT knows or should know of such condition, RESPONDENT shall replace the machine with an operable machine or remove the machine, which may only be extended by the chairman of the Gaming Control Board or his designee.
- vi. RESPONDENT shall, in accordance with Regulation 5.015, affix in a prominent place to each of RESPONDENT's slot machines exposed for play, a printed sign or label that identifies that RESPONDENT is responsible for repairs of malfunctions of the machine, payments of winnings, and disputes regarding payments. Such sign or label shall contain a working telephone number for RESPONDENT.
- vii. These conditions shall remain on RESPONDENT's slot route operator's license until administratively removed by the chairman of the Gaming Control Board, but for not less than one (1) year.

4. In consideration for the execution of this settlement agreement, RESPONDENT, for itself, its heirs, executors, administrators, successors, and assigns, hereby releases and forever discharges the State of Nevada, the Nevada Gaming Commission, the Nevada Gaming Control Board, the Nevada Attorney General and each of their members, agents, and employees in their individual and

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representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever known or unknown, in law and equity, that RESPONDENT ever had, now has, may have, or claim to have against any and all of the persons or entities named in this paragraph arising out of, or by reason of, the investigation of the allegations in the Complaint and this disciplinary action, NGC Case No. 09-03, or any other matter relating thereto.

5. In consideration for the execution of this settlement agreement, RESPONDENT hereby indemnifies and holds harmless the State of Nevada, the Nevada Gaming Commission, the State Gaming Control Board, the Nevada Attorney General, and each of their members, agents, and employees in their individual and representative capacities against any and all claims, suits and actions, brought against the persons named in this paragraph by reason of the investigation of the allegations in the Complaint, filed in this disciplinary action, NGC Case No. 09-03, and all other matters relating thereto, and against any and all expenses, damages, charges and costs, including court costs and attorney fees, which may be sustained by the persons and entities named in this paragraph as a result of said claims, suits and actions.
6. RESPONDENT enters into this Stipulation for Settlement freely and voluntarily and acknowledges that RESPONDENT had an opportunity to consult with counsel prior to entering into this Stipulation for Settlement. RESPONDENT further acknowledges that this stipulated settlement is not the product of force, threats, or any other form of coercion or duress, but is the product of discussions between RESPONDENT and the attorney for the BOARD.
7. RESPONDENT and the BOARD acknowledge that this settlement is made to avoid litigation and economize resources. The parties agree and understand that this Stipulation for Settlement is intended to operate as full and final settlement of the

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Complaint filed against RESPONDENT in the above-entitled disciplinary case, NGC Case No. 09-03.

8. RESPONDENT and the BOARD recognize and agree that the Nevada Gaming Commission has the sole and absolute discretion to determine whether to accept this stipulated settlement agreement. RESPONDENT and the BOARD hereby waive any right they may have to challenge the impartiality of the Nevada Gaming Commission to hear the above-entitled case on the matters embraced in the Complaint if the Nevada Gaming Commission determines not to accept this stipulated settlement agreement. If the Nevada Gaming Commission does not accept the Stipulation for Settlement, it shall be withdrawn as null and void and RESPONDENT's admissions, if any, that certain violations of the Nevada Gaming Control Act and the Regulations of the Nevada Gaming Commission occurred shall be withdrawn.
9. RESPONDENT and the BOARD agree and understand that this settlement agreement is intended to operate as full and final settlement of the Complaint filed in NGC Case No. 09-03. The parties further agree and understand that any oral representations are superseded by this settlement agreement and that only those terms memorialized in writing herein shall be effective.
10. RESPONDENT agrees and understands that although this settlement, if approved by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 09-03, that the allegations contained in the Complaint file in NGC Case No. 09-03 and the terms of this settlement agreement may be considered by the BOARD and/or the Nevada Gaming Commission, with regards to any and all applications by RESPONDENT that are currently pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future with the BOARD.
11. RESPONDENT and the BOARD shall each bear their own costs incurred in this disciplinary action, NGC Case No. 09-03.

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12. This stipulated settlement agreement shall become effective immediately upon approval by the Nevada Gaming Commission.

DATED this 22nd day of October, 2009.

COMSTOCK GAMES, INC.

STATE GAMING CONTROL BOARD

  
DAN MEYER, President

  
DENNIS K. NEILANDER, Chairman

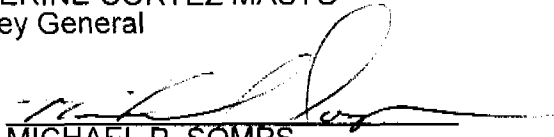
  
SEAN MCGUINNESS, Esq.  
Attorney for RESPONDENT

  
RANDALL E. SAYRE, Member

  
MARK A. LIPPARELLI, Member

Submitted by:

CATHERINE CORTEZ MASTO  
Attorney General

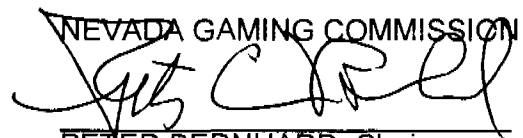
By:   
MICHAEL P. SOMPS  
Senior Deputy Attorney General  
Gaming Division

Attorneys for State Gaming Control Board

**ORDER**

IT IS SO ORDERED in NGC Case No. 09-03.

DATED this 17 day of December, 2009.

NEVADA GAMING COMMISSION  
  
PETER BERNHARD, Chairman