



1 NGC 09-08

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STATE OF NEVADA

5

BEFORE THE NEVADA GAMING COMMISSION

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STATE GAMING CONTROL BOARD,

7

Complainant,

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vs.

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KRS ENTERPRISES, INC.,
dba FRED'S TAVERN 2

10

and

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KURT L. SCHOEN,

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Respondents.

**STIPULATION FOR
SETTLEMENT AND ORDER**

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The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD), Complainant herein, filed a Complaint, NGC Case No. 09-08, against the above-captioned RESPONDENTS, KRS ENTERPRISES, INC., dba FRED'S TAVERN 2 and KURT L. SCHOEN, alleging certain violations of the Nevada Gaming Control Act and Regulations of the Nevada Gaming Commission.

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IT IS HEREBY STIPULATED AND AGREED to by the BOARD and RESPONDENTS that the Complaint, NGC Case No. 09-08, filed against RESPONDENTS in the above-entitled case shall be settled on the following terms and conditions:

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1. RESPONDENTS admit each and every allegation set forth in the Complaint, NGC Case No. 09-08.

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2. RESPONDENTS fully understand and voluntarily waive 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.

1 3. RESPONDENTS agree to pay a fine in the total amount of ONE THOUSAND
2 DOLLARS (\$1,000.00) made payable to the *State of Nevada-Nevada Gaming Commission* on
3 the date this stipulated settlement agreement is accepted by the Nevada Gaming
4 Commission. Interest on the fine shall accrue at 5.25 percent per annum on any unpaid
5 balance computed from the date payment is due until payment is made in full.

6 4. In consideration for the execution of this settlement agreement, RESPONDENTS,
7 for themselves, their heirs, executors, administrators, successors, and assigns, hereby
8 releases and forever discharges the State of Nevada, the Nevada Gaming Commission, the
9 Nevada Gaming Control Board, the Nevada Attorney General and each of their members,
10 agents, and employees in their individual and representative capacities, from any and all
11 manner of actions, causes of action, suits, debts, judgments, executions, claims, and
12 demands whatsoever known or unknown, in law and equity, that RESPONDENTS ever had,
13 now have, may have, or claim to have against any and all of the persons or entities named in
14 this paragraph arising out of, or by reason of, the investigation of the allegations in the
15 Complaint and this disciplinary action, NGC Case No. 09-08, or any other matter relating
16 thereto.

17 5. In consideration for the execution of this settlement agreement, RESPONDENTS
18 hereby indemnify and hold harmless the State of Nevada, the Nevada Gaming Commission,
19 the State Gaming Control Board, the Nevada Attorney General, and each of their members,
20 agents, and employees in their individual and representative capacities against any and all
21 claims, suits and actions, brought against the persons named in this paragraph by reason of
22 the investigation of the allegations in the Complaint, filed in this disciplinary action, NGC Case
23 No. 09-08, and all other matters relating thereto, and against any and all expenses, damages,
24 charges and costs, including court costs and attorney fees, which may be sustained by the
25 persons and entities named in this paragraph as a result of said claims, suits and actions.

26 6. RESPONDENTS enter into this Stipulation for Settlement freely and voluntarily and
27 acknowledge that RESPONDENTS had an opportunity to consult with counsel prior to
28 entering into this Stipulation for Settlement. RESPONDENTS further acknowledge that this

1 stipulated settlement is not the product of force, threats, or any other form of coercion or
2 duress, but is the product of discussions between RESPONDENTS and the attorney for the
3 BOARD.

4 7. RESPONDENTS and the BOARD acknowledge that this settlement is made to
5 avoid litigation and economize resources. The parties agree and understand that this
6 Stipulation for Settlement is intended to operate as full and final settlement of the Complaint
7 filed against RESPONDENTS in the above-entitled disciplinary case, NGC Case No. 09-08.

8 8. RESPONDENTS and the BOARD recognize and agree that the Nevada Gaming
9 Commission has the sole and absolute discretion to determine whether to accept this
10 stipulated settlement agreement. RESPONDENTS and the BOARD hereby waive any right
11 they may have to challenge the impartiality of the Nevada Gaming Commission to hear the
12 above-entitled case on the matters embraced in the Complaint if the Nevada Gaming
13 Commission determines not to accept this stipulated settlement agreement. If the Nevada
14 Gaming Commission does not accept the Stipulation for Settlement, it shall be withdrawn as
15 null and void and RESPONDENTS' admissions, if any, that certain violations of the Nevada
16 Gaming Control Act and the Regulations of the Nevada Gaming Commission occurred shall
17 be withdrawn.

18 9. RESPONDENTS and the BOARD agree and understand that this settlement
19 agreement is intended to operate as full and final settlement of the Complaint filed in NGC
20 Case No. 09-08. The parties further agree and understand that any oral representations are
21 superseded by this settlement agreement and that only those terms memorialized in writing
22 herein shall be effective.

23 10. RESPONDENTS agree and understands that although this settlement, if approved
24 by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 09-08,
25 that the allegations contained in the Complaint file in NGC Case No. 09-08 and the terms of
26 this settlement agreement may be considered by the BOARD and/or the Nevada Gaming
27 Commission, with regards to any and all applications by RESPONDENTS that are currently

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1 pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future
2 with the BOARD.

3 11. RESPONDENTS and the BOARD shall each bear their own costs incurred in this
4 disciplinary action, NGC Case No. 09-08.

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

7 DATED this 13th day of MARCH, 2010.

8 KRS ENTERPRISES, INC.,
9 DBA FRED'S TAVERN 2
and KURT L. SCHOEN
10 Kurt Schoen
11 KURT L. SCHOEN, an individual
12 and President of KRS
ENTERPRISES, INC.

STATE GAMING CONTROL BOARD
Dennis K. Neilander
DENNIS K. NEILANDER, Chairman

13 John T. Moran II
14 JOHN T. MORAN II, Esq.
15 Attorney for RESPONDENTS

Randall E. Sayre
RANDALL E. SAYRE, Member
Mark A. Lipparelli
MARK A. LIPPARELLI, Member

16 Submitted by:
17 CATHERINE CORTEZ MASTO
18 Attorney General

19 By: Michael P. Somps
20 MICHAEL P. SOMPS
21 Senior Deputy Attorney General
Gaming Division

22 Attorneys for State Gaming Control Board

23 **ORDER**

24 IT IS SO ORDERED in NGC Case No. 09-08.

25 DATED this 22 day of April, 2010.

26 NEVADA GAMING COMMISSION
27 Peter Bernhard
28 PETER BERNHARD, Chairman