

1 NGC 10-05

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STATE OF NEVADA

4

BEFORE THE NEVADA GAMING COMMISSION

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STATE GAMING CONTROL BOARD, )

6

Complainant, )

7

vs. )

STIPULATION FOR SETTLEMENT AND ORDER

8

DESERT PALACE, INC., )  
Dba CAESARS PALACE )

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Respondent. )

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The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD),

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Complainant herein, filed a Complaint, NGC Case No. 10-05, against the above-captioned

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RESPONDENT, DESERT PALACE, INC., dba CAESARS PALACE, alleging certain violations

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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 RESPONDENT

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that the Complaint, NGC Case No. 10-05, filed against RESPONDENT in the above-entitled

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case shall be settled on the following terms and conditions:

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1. RESPONDENT admits each and every allegation set forth in the Complaint, NGC

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Case No. 10-05.

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2. RESPONDENT fully understands and voluntarily waives the right to a public hearing

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on the charges and allegations set forth in the Complaint, the right to present and cross-

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examine witnesses, the right to a written decision on the merits of the Complaint, which must

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contain findings of fact and a determination of the issues presented, and the right to obtain

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judicial review of the Nevada Gaming Commission's decision.

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3. RESPONDENT agrees to pay a fine in the total amount of TWO HUNDRED FIFTY

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THOUSAND DOLLARS (\$250,000.00), electronically transferred to the *State of Nevada-*

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*Nevada Gaming Commission* on the date this stipulated settlement agreement is accepted by

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the Nevada Gaming Commission. Payment of the fine shall be made by a method of

1 electronic payment approved by the Tax and License Division of the Board pursuant to NRS  
2 353.1467. Interest on the fine shall accrue at 5.25 percent per annum on any unpaid balance  
3 computed from the date payment is due until payment is made in full.

4 4. In consideration for the execution of this settlement agreement, RESPONDENT, for  
5 itself, its heirs, executors, administrators, successors, and assigns, hereby releases and  
6 forever discharges the State of Nevada, the Nevada Gaming Commission, the Nevada  
7 Gaming Control Board, the Nevada Attorney General and each of their members, agents, and  
8 employees in their individual and representative capacities, from any and all manner of  
9 actions, causes of action, suits, debts, judgments, executions, claims, and demands  
10 whatsoever known or unknown, in law and equity, that RESPONDENT ever had, now has,  
11 may have, or claim to have against any and all of the persons or entities named in this  
12 paragraph arising out of, or by reason of, the investigation of the allegations in the Complaint  
13 and this disciplinary action, NGC Case No. 10-05, or any other matter relating thereto.

14 5. In consideration for the execution of this settlement agreement, RESPONDENT  
15 hereby indemnifies and holds harmless the State of Nevada, the Nevada Gaming  
16 Commission, the State Gaming Control Board, the Nevada Attorney General, and each of  
17 their members, agents, and employees in their individual and representative capacities  
18 against any and all claims, suits and actions, brought against the persons named in this  
19 paragraph by reason of the investigation of the allegations in the Complaint, filed in this  
20 disciplinary action, NGC Case No. 10-05, and all other matters relating thereto, and against  
21 any and all expenses, damages, charges and costs, including court costs and attorney fees,  
22 which may be sustained by the persons and entities named in this paragraph as a result of  
23 said claims, suits and actions.

24 6. RESPONDENT enters into this Stipulation for Settlement freely and voluntarily and  
25 acknowledges that RESPONDENT had an opportunity to consult with counsel prior to entering  
26 into this Stipulation for Settlement. RESPONDENT further acknowledges that this stipulated  
27 settlement is not the product of force, threats, or any other form of coercion or duress, but is  
28 the product of discussions between RESPONDENT and the attorney for the BOARD.

1           7. RESPONDENT and the BOARD acknowledge that this settlement is made to avoid  
2 litigation and economize resources. The parties agree and understand that this Stipulation for  
3 Settlement is intended to operate as full and final settlement of the Complaint filed against  
4 RESPONDENT in the above-entitled disciplinary case, NGC Case No. 10-05.

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

15           9. RESPONDENT and the BOARD agree and understand that this settlement  
16 agreement is intended to operate as full and final settlement of the Complaint filed in NGC  
17 Case No. 10-05 and all matters related to the allegations contained in the Complaint and  
18 otherwise occurring on October 9, 2010 in the area described in the Complaint. The parties  
19 further agree and understand that any oral representations are superseded by this settlement  
20 agreement and that only those terms memorialized in writing herein shall be effective.

21           10. RESPONDENT agrees and understands that although this settlement, if approved  
22 by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 10-05,  
23 that the allegations contained in the Complaint file in NGC Case No. 10-05, and the terms of  
24 this settlement agreement may be considered by the BOARD and/or the Nevada Gaming  
25 Commission, with regards to any and all applications by RESPONDENT that are currently  
26 pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future  
27 with the BOARD.

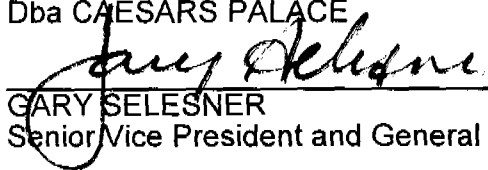
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1 11. RESPONDENT and the BOARD shall each bear their own costs incurred in this  
2 disciplinary action, NGC Case No. 10-05.

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

5 DATED this 17<sup>TH</sup> day of AUGUST, 2010.

6 DESERT PALACE, INC.,  
7 Dba CAESARS PALACE

8   
9 GARY SELESNER  
Senior Vice President and General Manager

STATE GAMING CONTROL BOARD

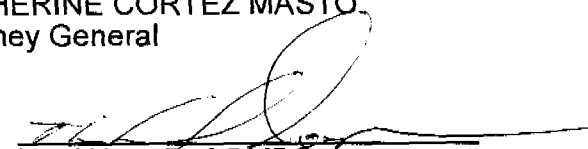
10   
11 DENNIS K. NEILANDER, Chairman

12   
13 RANDALL E. SAYRE, Member

14   
15 MARK A. LIPPARELLI, Member

16 Submitted by:

17 CATHERINE CORTEZ MASTO  
18 Attorney General

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

23 Attorneys for State Gaming Control Board

24 **ORDER**

25 IT IS SO ORDERED in NGC Case No. 10-05.

26 DATED this 16 day of September, 2010.

27 NEVADA GAMING COMMISSION

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PETER BERNHARD, Chairman