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NEVADA GAMING COMMISSION
CARSON CITY, NEVADA

1 NGC 15-03

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STATE OF NEVADA

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BEFORE THE NEVADA GAMING COMMISSION

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NEVADA GAMING CONTROL BOARD,

7

Complainant,

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vs.

STIPULATION FOR SETTLEMENT
AND ORDER

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777 U.S., INC.;
777 MANAGEMENT LLC, dba
MAX CASINO;
777 GAMING, INC., dba
CARSON STATION HOTEL/CASINO;
SILVER STATE GAMING, INC.,

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Respondents.

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The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD (BOARD), Complainant herein, filed and served a Complaint, NGC Case No. 15-03, against the above-captioned RESPONDENTS 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. 15-03, 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. 15-03 except those allegations contained in count 37 and count 71 of the Complaint. The BOARD agrees not to pursue count 37 and count 71 of the Complaint.

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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.

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

1 3. RESPONDENTS agree to pay a fine in the amount of SEVENTY THOUSAND
2 DOLLARS and NO CENTS (\$70,000.00) electronically transferred to *State of Nevada-Nevada*
3 *Gaming Commission* on or before the date this stipulated settlement agreement is accepted
4 by the Nevada Gaming Commission. Said payment shall be made by a method of electronic
5 payment approved by the Tax and License Division of the BOARD pursuant to NRS 353.1467.
6 Interest on the fine shall accrue pursuant to NRS 17.130 on any unpaid balance computed
7 from the date payment is due until payment is made in full.

8 4. RESPONDENTS additionally agree to pay the sum of NINETEEN THOUSAND
9 SEVEN HUNDRED FIFTY-THREE DOLLARS and 80 CENTS (\$19,753.80) electronically
10 transferred to *Nevada Gaming Control Board* on or before the date this stipulated settlement
11 agreement is accepted by the Nevada Gaming Commission as the agreed upon
12 reimbursement of costs incurred by the BOARD in connection with the investigation and
13 prosecution of the Complaint, NGC Case No. 15-03. Said payment shall be made by a
14 method of electronic payment approved by the Tax and License Division of the BOARD
15 pursuant to NRS 353.1467. Interest on the reimbursement shall accrue pursuant to
16 NRS 17.130 on any unpaid balance computed from the date payment is due until payment is
17 made in full.

18 5. In addition, RESPONDENTS agree to have conditions removed and added to its
19 licenses and registrations as set forth below:

20 a. To the registration with the Nevada Gaming Commission of 777 U.S., INC., the
21 following two conditions shall be added:

22 (1) An accountant or bookkeeper with prior experience with gaming and the
23 gaming regulations, specifically Nevada Gaming Commission Regulation 6, must be
24 employed or contracted for the business entity.

25 (2) The licensee must employ or contract with a compliance officer who is
26 administratively approved by the Chairman of the Nevada Gaming Control Board. The
27 accountant/bookkeeper and compliance officer may be the same person if such person
28 has the appropriate background and experience to fulfill both roles. Such compliance

1 officer shall make quarterly reports to the Nevada Gaming Control Board concerning
2 any violations of the Gaming Control Act found by the officer and the actions taken to
3 remedy such violations.

4 b. From the nonrestricted gaming licenses of 777 MANAGEMENT LLC, dba MAX
5 CASINO and 777 GAMING, INC., dba CARSON STATION HOTEL/CASINO, the following
6 condition shall be removed: "If an equity owner is no longer functioning as a key employee
7 for this location, a key employee application must be filed within 60 days, and thereafter be
8 refiled within 60 days of any change in the person occupying that position."

9 c. To the nonrestricted gaming license of 777 MANAGEMENT LLC, dba MAX
10 CASINO, the following condition shall be added: "A key employee application must be filed
11 within 60 days of approval, and thereafter be refiled within 60 days of any change in the
12 person occupying that position."

13 d. To the nonrestricted gaming license of 777 GAMING, INC., dba CARSON
14 STATION HOTEL/CASINO, the following condition shall be added: "A key employee
15 application for the position of General Manager must be filed within 60 days of this
16 approval, and thereafter be refiled within 60 days of any change in the person occupying
17 that position."

18 6. In consideration for the execution of this settlement agreement, RESPONDENTS,
19 for themselves, their heirs, executors, administrators, successors, and assigns, hereby
20 release and forever discharge the State of Nevada, the Nevada Gaming Commission, the
21 Nevada Gaming Control Board, the Nevada Attorney General and each of their members,
22 agents, and employees in their individual and representative capacities, from any and all
23 manner of actions, causes of action, suits, debts, judgments, executions, claims, and
24 demands whatsoever known or unknown, in law and equity, that RESPONDENTS ever had,
25 now has, may have, or claim to have against any and all of the persons or entities named in
26 this paragraph arising out of, or by reason of, the investigation of the allegations in the
27 Complaint and this disciplinary action, NGC Case No. 15-03, or any other matter relating
28 thereto.

1 7. In consideration for the execution of this settlement agreement, RESPONDENTS
2 hereby indemnify and hold harmless the State of Nevada, the Nevada Gaming Commission,
3 the Nevada Gaming Control Board, the Nevada Attorney General, and each of their members,
4 agents, and employees in their individual and representative capacities against any and all
5 claims, suits and actions, brought against the persons named in this paragraph by reason of
6 the investigation of the allegations in the Complaint, filed in this disciplinary action, NGC Case
7 No. 15-03, and all other matters relating thereto, and against any and all expenses, damages,
8 charges and costs, including court costs and attorney fees, which may be sustained by the
9 persons and entities named in this paragraph as a result of said claims, suits and actions.

10 8. RESPONDENTS enter into this Stipulation for Settlement freely and voluntarily and
11 acknowledge that RESPONDENTS had an opportunity to consult with counsel prior to
12 entering into this Stipulation for Settlement. RESPONDENTS further acknowledge that this
13 stipulated settlement is not the product of force, threats, or any other form of coercion or
14 duress, but is the product of discussions between RESPONDENTS and the attorney for the
15 BOARD.

16 9. RESPONDENTS and the BOARD acknowledge that this settlement is made to
17 avoid litigation and economize resources. The parties agree and understand that this
18 Stipulation for Settlement is intended to operate as full and final settlement of the Complaint
19 filed against RESPONDENTS in the above-entitled disciplinary case, NGC Case No. 15-03.

20 10. RESPONDENTS and the BOARD recognize and agree that the Nevada Gaming
21 Commission has the sole and absolute discretion to determine whether to accept this
22 stipulated settlement agreement. RESPONDENTS and the BOARD hereby waive any right
23 they may have to challenge the impartiality of the Nevada Gaming Commission to hear the
24 above-entitled case on the matters embraced in the Complaint if the Nevada Gaming
25 Commission determines not to accept this stipulated settlement agreement. If the Nevada
26 Gaming Commission does not accept the Stipulation for Settlement, it shall be withdrawn as
27 null and void and RESPONDENTS' admissions, if any, that certain violations of the Nevada
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1 Gaming Control Act and the Regulations of the Nevada Gaming Commission occurred shall
2 be withdrawn.

3 11. RESPONDENTS and the BOARD agree and understand that this settlement
4 agreement is intended to operate as full and final settlement of the Complaint filed in NGC
5 Case No. 15-03. The parties further agree and understand that any oral representations are
6 superseded by this settlement agreement and that only those terms memorialized in writing
7 herein shall be effective.

8 12. RESPONDENTS agree and understands that although this settlement, if approved
9 by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 15-03,
10 that the allegations contained in the Complaint file in NGC Case No. 15-03 and the terms of
11 this settlement agreement may be considered by the BOARD and/or the Nevada Gaming
12 Commission, with regards to any and all applications by RESPONDENTS that are currently
13 pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future
14 with the BOARD.

15 13. RESPONDENTS, by executing this stipulation affirmatively waive all notices
16 required by law for this matter including, but not limited to, notices concerning consideration of
17 the character or misconduct of a person (NRS 241.033), notices concerning consideration of
18 administrative action against a person (NRS 241.034), and notices concerning hearings
19 before the Nevada Gaming Commission (NRS 463.312). Regardless of the waiver of legal
20 notice requirements, the BOARD and Nevada Gaming Commission will attempt to provide
21 reasonable notice of the time and place of the hearing. Further, in negotiating this settlement,
22 RESPONDENTS acknowledge that the BOARD has provided RESPONDENTS with the date
23 and time of the Nevada Gaming Commission hearing during which the BOARD anticipates the
24 Nevada Gaming Commission will consider approving this settlement.

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1 14. Except as otherwise specified herein, RESPONDENTS and the BOARD shall
2 each bear their own costs incurred in this disciplinary action, NGC Case No. 15-03.

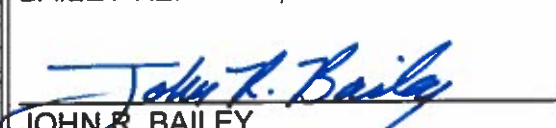
3 DATED this 5th day of November, 2015.

4 777 U.S., INC.;
5 777 MANAGEMENT LLC, dba
6 MAX CASINO;
7 777 GAMING, INC., dba
8 CARSON STATION HOTEL/CASINO;
9 SILVER STATE GAMING, INC.



10 CORY LEE BEDORE
11 President (777 U.S., Inc.)
12 President (Max Casino)
13 President (Carson Station)
14 President (Silver State Gaming, Inc.)

15 BAILEY KENNEDY, LLP



16 JOHN R. BAILEY
17 Attorney for Respondents

NEVADA GAMING CONTROL BOARD



A.G. BURNETT, Chairman



SHAWN R. REID, Member



TERRY JOHNSON, Member

Submitted by:
ADAM PAUL LAXALT
Attorney General

By: 

JOHN S. MICHELA
Senior Deputy Attorney General
Gaming Division
Attorneys for Nevada Gaming Control Board

20 ORDER

21 IT IS SO ORDERED in NGC Case No. 15-03.

22 DATED this 19th day of November, 2015.

24 NEVADA GAMING COMMISSION

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26 TONY ALAMO, M.D., Chairman