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STATE OF NEVADA

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BEFORE THE NEVADA GAMING COMMISSION

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STATE GAMING CONTROL BOARD,

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Complainant,

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vs.

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FLAMINGO INVESTMENTS, LLC., dba
SEDONA LOUNGE; THE ADAM B.
CORRIGAN GAMING TRUST; ADAM
BOTHWELL CORRIGAN; AKA
RESTAURANTS, LLC; THE ANDRE
AGASSI GAMING PROPERTIES TRUST;
ANDRE KIRK AGASSI,

COMPLAINT

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Respondents.

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The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD),
Complainant herein, by and through its counsel, CATHERINE CORTEZ MASTO, Attorney
General, by JOHN S. MICHELA, Senior Deputy Attorney General, hereby files this Complaint
for disciplinary action against FLAMINGO INVESTMENTS, LLC, dba SEDONA LOUNGE;
THE ADAM B. CORRIGAN GAMING TRUST; ADAM BOTHWELL CORRIGAN; AKA
RESTAURANTS, LLC; THE ANDRE AGASSI GAMING PROPERTIES TRUST; and ANDRE
KIRK AGASSI (collectively referred to as RESPONDENTS) pursuant to Nevada Revised
Statute (NRS) 463.310(2) and alleges as follows:

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JURISDICTION

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1. Complainant, BOARD, is an administrative agency of the State of Nevada duly
organized and existing under and by virtue of chapter 463 of NRS and is charged with the
administration and enforcement of the gaming laws of this state as set forth in Title 41 of NRS
and the Regulations of the Nevada Gaming Commission.

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

1 2. FLAMINGO INVESTMENTS, LLC, dba SEDONA LOUNGE (FLAMINGO) located at
2 9580 West Flamingo Road, Las Vegas, Nevada is organized under the laws of the State of
3 Nevada and, at all times relevant hereto, has held a restricted gaming license.

4 3. THE ADAM B. CORRIGAN GAMING TRUST (CORRIGAN TRUST) is registered to
5 hold 6¼ percent of the Class A shares and 100 percent of the Class B shares of FLAMINGO.
6 CORRIGAN TRUST is also licensed as manager of FLAMINGO.

7 4. ADAM BOTHWELL CORRIGAN (CORRIGAN) has been found suitable as the
8 trustee and beneficiary of CORRIGAN TRUST.

9 5. AKA RESTAURANTS, LLC (AKA) is registered to hold 31¼ percent of the Class A
10 shares of FLAMINGO. The Nevada Gaming Commission licensed AKA as ARI Restaurants,
11 LLC (ARI). ARI changed its name to AKA sometime on or before June 26, 2009.

12 6. The Perry C. Rogers Gaming Properties (Rogers Trust) is registered to hold a 50
13 percent interest in AKA.

14 7. Perry Craig Rogers (Rogers) has been found suitable as a manager of AKA and as
15 the trustee and beneficiary of Rogers Trust.

16 8. THE ANDRE AGASSI GAMING PROPERTIES TRUST (AGASSI TRUST) is
17 registered to hold a 50 percent interest in AKA.

18 9. ANDRE KIRK AGASSI (AGASSI) has been found suitable as a manager of AKA
19 and as the trustee and beneficiary of AGASSI TRUST.

20 10. The Marquis Gaming Trust (Marquis Trust) is registered to hold 31¼ percent of the
21 Class A shares of FLAMINGO.

22 11. Jeffrey Albert Marquis (Marquis) has been found suitable as the trustor, trustee,
23 and beneficiary of Marquis Trust.

24 12. The Thomas C. Breitling Trust (Breitling Trust) is registered to hold 31¼ percent of
25 the Class A shares of FLAMINGO. Thomas Charles Breitling (Breitling) has been found
26 suitable as the trustee and beneficiary of Breitling Trust.

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RELEVANT LAW

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13. The Nevada Legislature has declared under NRS 463.0129(1) that:

(a) The gaming industry is vitally important to the economy of the State and the general welfare of the inhabitants.

(b) The continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming and the manufacture, sale and distribution of gaming devices and associated equipment are conducted honestly and competitively, that establishments which hold restricted and nonrestricted licenses where gaming is conducted and where gambling devices are operated do not unduly impact the quality of life enjoyed by residents of the surrounding neighborhoods, that the rights of the creditors of licensees are protected and that gaming is free from criminal and corruptive elements.

(c) Public confidence and trust can only be maintained by strict regulation of all persons, locations, practices, associations and activities related to the operation of licensed gaming establishments, the manufacture, sale or distribution of gaming devices and associated equipment and the operation of inter-casino linked systems.

NRS 463.0129(1)(a), (b) and (c).

14. The Nevada Gaming Commission has full and absolute power and authority to limit, condition, restrict, revoke or suspend any license, or fine any person licensed, for any cause deemed reasonable. See NRS 463.1405(4).

15. The BOARD is authorized to observe the conduct of licensees in order to ensure that the gaming operations are not being conducted in an unsuitable manner. See NRS 463.1405(1).

16. This continuing obligation is repeated in Nevada Gaming Commission Regulation 5.040, which provides as follows:

A gaming license is a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. The burden of proving his qualifications to hold any license rests at all times on the licensee. The board is charged by law with the duty of observing the conduct of all licensees to the end that licenses shall not be held by unqualified or disqualified persons or unsuitable persons or persons whose operations are conducted in an unsuitable manner.

Nev. Gaming Comm'n Reg. 5.040.

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17. Nevada Gaming Commission Regulation 5.010 provides as follows:

1. It is the policy of the commission and the board to require that all establishments wherein gaming is conducted in this state be operated in a manner suitable to protect the public health, safety, morals, good order and general welfare of the inhabitants of the State of Nevada.

2. Responsibility for the employment and maintenance of suitable methods of operation rests with the licensee, and willful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for license revocation or other disciplinary action.

Nev. Gaming Comm'n Reg. 5.010.

18. Nevada Gaming Commission Regulation 5.011 states, in relevant part, as follows:

The board and the commission deem any activity on the part of any licensee, his agents or employees, that is inimical to the public health, safety, morals, good order and general welfare of the people of the State of Nevada, or that would reflect or tend to reflect discredit upon the State of Nevada or the gaming industry, to be an unsuitable method of operation and shall be grounds for disciplinary action by the board and the commission in accordance with the Nevada Gaming Control Act and the regulations of the board and the commission. Without limiting the generality of the foregoing, the following acts or omissions may be determined to be unsuitable methods of operation:

1. Failure to exercise discretion and sound judgment to prevent incidents which might reflect on the repute of the State of Nevada and act as a detriment to the development of the industry.

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8. Failure to comply with or make provision for compliance with all federal, state and local laws and regulations pertaining to the operations of a licensed establishment including, without limiting the generality of the foregoing, payment of all license fees, withholding any payroll taxes, liquor and entertainment taxes and antitrust and monopoly statutes.

....

10. Failure to conduct gaming operations in accordance with proper standards of custom, decorum and decency, or permit any type of conduct in the gaming establishment which reflects or tends to reflect on the repute of the State of Nevada and act as a detriment to the gaming industry.

Nev. Gaming Comm'n Reg. 5.011 (1), (8), and (10).

1 19. NRS 463.170 provides, in relevant part:

2 2. An application to receive a license or be found suitable
3 must not be granted unless the Commission is satisfied that the
4 applicant is:

5 (a) A person of good character, honesty and integrity;

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7 8. Any person granted a license or found suitable by the
8 Commission shall continue to meet the applicable standards and
9 qualifications set forth in this section and any other qualifications
10 established by the Commission by regulation. The failure to
11 continue to meet such standards and qualifications constitutes
12 grounds for disciplinary action.

13 NRS 463.170 (2)(a) and (8).

14 20. Nevada Revised Statute 463.5733(1) provides that:

15 The purported sale, assignment, transfer, pledge, exercise of
16 an option to purchase, or other disposition of any interest in a
17 limited-liability company which holds a state gaming license or
18 which is a holding company or an intermediary company for an
19 entity that holds a state gaming license is void unless approved in
20 advance by the Commission.

21 NRS 463.5733(1).

22 21. Nevada Revised Statute 239.330 provided

23 A person who knowingly procures or offers any false or
24 forged instrument to be filed, registered or recorded in any public
25 office, which instrument, if genuine, might be filed, registered or
26 recorded in a public office under any law of this State or of the
27 United States, is guilty of a category C felony and shall be punished
28 as provided in NRS 193.130.

29 NRS 239.330.

30 22. Nevada Gaming Commission Regulations 8.010(1), (3) and (4) provided that:

31 1. No person shall sell, purchase, assign, lease, grant or
32 foreclose a security interest, hypothecate or otherwise transfer,
33 convey or acquire in any manner whatsoever any interest of any
34 sort whatever in or to any licensed gaming operation or any
35 portions thereof, or enter into or create a voting trust agreement or
36 any other agreement of any sort in connection with any licensed
37 gaming operation or any portion thereof, except in accordance with
38 law and these regulations.

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1 3. No person shall transfer or convey in any manner
2 whatsoever any interest of any sort whatever in or to any licensed
3 gaming operation, or any portion thereof, to, or permit any
4 investment therein or participation in the profits thereof by, any
5 person acting as agent, trustee or in any other representative
6 capacity whatever for or on behalf of another person without first
7 having fully disclosed all facts pertaining to such representation to
8 the board. No person acting in any such representative capacity
9 shall hold or acquire any such interest or so invest or participate
10 without first having fully disclosed all facts pertaining to such
11 representation to the board and obtained written permission of the
12 board to so act.

13 4. Regulation 8 shall apply to transfers of interest in
14 corporations subject to Regulation 15, but shall not apply to
15 transfers of interest in corporations subject to Regulation 16.

16 Nev. Gaming Comm'n Regulations 8.010(1), (3) and (4).

17 23. Nevada Gaming Commission Regulation 4.040(2) provides that:

18 It is grounds for denial of an application or disciplinary action
19 for any person to make any untrue statement of material fact in any
20 application, notice, statement or report filed with the board or
21 commission in compliance with the provisions of law and
22 regulations referred to in paragraph 1, or willfully to omit to state in
23 any such application, notice, statement or report any material fact
24 which is required to be stated therein or omit to state a material fact
25 necessary to make the facts stated in view of the circumstances
26 under which they were stated, not misleading.

27 Nev. Gaming Comm'n Regulation 4.040(2).

28 24. Nevada Revised Statute 463.339 provides that:

 An applicant for licensing, registration, finding of suitability,
preliminary finding of suitability or any approval or consent required
by this chapter or chapter 462 or NRS shall make full and true
disclosure of all information to the Board, Commission or other
relevant governmental authority as necessary or appropriate in the
public interest or as required in order to carry out the policies of this
state relating to licensing and control of the gaming industry and the
operation of charitable lotteries.

NRS 463.339.

 25. Nevada Gaming Commission Regulation 15.585.7-2 provides that:

 No person other than the issuer shall sell, assign, transfer,
pledge or make any other disposition of any security issued by any
holding company without the prior approval of the commission. As
used herein, the terms "sale, assignment, transfer, pledge or other
disposition" extend to dispositions of any type of ownership referred
to in Regulation 15.482-6. Included within the meaning of the term
"disposition" as used in this regulation are the granting of a proxy or
a transfer or disposition of a type described in Regs. 15.510.1-
1(b)(1) and (2).

1 Every approval required by this regulation shall be sought by
2 the filing of an application complying with the procedures set forth
3 in NRS 463.510.

3 Nev. Gaming Comm'n Regulation 15.585.7-2.

4 26. Nevada Gaming Commission Regulation 5.030 provides as follows:

5 ***Violation of any provision of the Nevada Gaming Control***
6 ***Act or of these regulations by a licensee, his agent or employee***
7 ***shall be deemed*** contrary to the public health, safety, morals, good
8 order and general welfare of the inhabitants of the State of Nevada
9 and ***grounds for suspension or revocation of a license.***
10 Acceptance of a state gaming license or renewal thereof by a
11 licensee constitutes an agreement on the part of the licensee to be
12 bound by all of the regulations of the commission as the same now
13 are or may hereafter be amended or promulgated. ***It is the***
14 ***responsibility of the licensee to keep himself informed of the***
15 ***content of all such regulations, and ignorance thereof will not***
16 ***excuse violations.***

11 Nev. Gaming Comm'n Reg. 5.030 (emphasis added).

12 **BACKGROUND**

13 27. In 1992, MSA Enterprises, Inc., dba Roadrunner Saloon, approved the issuance of
14 100 shares of stock to CORRIGAN, and appointed him treasurer and director prior to
15 receiving approval and necessary licensing from the Nevada Gaming Commission. A
16 Complaint for disciplinary action was filed and the matter was settled by stipulation with the
17 payment of a \$2,500 fine.

18 28. In 1998, Sahara Enterprises, Inc., dba the Roadrunner Casino Sahara with
19 CORRIGAN as secretary, director and 33 $\frac{1}{3}$ percent shareholder, held a private party where
20 slot machines were available for play, but members of the general public were excluded. In
21 addition, Sahara Enterprises, Inc., failed to comply with the requirements applicable to gaming
22 employee registrations as required by NRS 463.335. A Complaint for disciplinary action was
23 filed and the matter was settled by stipulation with the payment of a \$15,000 fine.

24 **COUNT ONE**

25 **VIOLATIONS OF NEVADA GAMING COMMISSION REGULATION 4.040(2).**

26 29. Complainant BOARD realleges and incorporates by reference as though set forth
27 in full herein paragraphs 1 through 28 above.

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1 30. On or about May 22, 2003, the Nevada Gaming Commission granted a restricted
2 gaming license to FLAMINGO. FLAMINGO's current, approved, ownership and management
3 structure, as of September 22, 2006, is as set out in paragraphs 2 through 12 above.

4 31. The BOARD requires all licensees to file an Owners and Conditions Verification
5 Form (NGC-09 Form) with the Tax and License Division on an annual basis. The NGC-09
6 Form requires all licensees to verify that the owners, manager, shareholders, interest holders,
7 officers, directors, etc., of the entity holding the gaming licensee have not changed since the
8 date the license was granted by the Nevada Gaming Commission.

9 32. On or about January 9, 2009, Schedule I of the Second Amendment to the
10 Amended and Restated Operating Agreement of Flamingo Investments, LLC, (Second
11 Amendment) reflected Marquis Trust no longer held an interest in FLAMINGO and
12 CORRIGAN TRUST had increased its interest in class A shares of FLAMINGO from 6¼
13 percent to 37½ percent.

14 33. CORRIGAN filed NGC-09 Forms with the Tax and License Division of the BOARD
15 on behalf of FLAMINGO for the period of 2003 through 2012.

16 34. In executing these forms, CORRIGAN affixed his signature and attested to the
17 truth of the information contained therein under penalty of perjury.

18 35. The three NGC-09 Forms CORRIGAN filed with the BOARD from 2009 through
19 2011 did not indicate the transfer of ownership of FLAMINGO from the Marquis Trust to the
20 CORRIGAN TRUST that was entered into on or about January 9, 2009, as memorialized and
21 reflected in the Second Amendment.

22 36. On or about May 15, 2012, CORRIGAN filed an NGC-09 Form with the BOARD.
23 This form reflected ARI had changed its name to AKA. According to the Third Amendment to
24 the Amended and Restated Operating Agreement of Flamingo Investment, LLC (Third
25 Amendment), this name change occurred on or before June 26, 2009.

26 37. On or about September 26, 2012, ARI notified the Tax and License Division of the
27 BOARD that it had changed its name to AKA.

28

1 38. The two NGC-09 Forms CORRIGAN filed with the BOARD from 2010 through
2 2011 did not indicate the change in name of ARI to AKA as memorialized and reflected in the
3 Third Amendment.

4 39. The actions, and/or failures to act, of the Respondents as set out above are a
5 violation of Nevada Gaming Commission Regulation 4.040(2). This constitutes an unsuitable
6 method of operation, and, as such, is grounds for disciplinary action. See Nev. Gaming
7 Comm'n Regs. 5.010(2), 5.011 and 5.030.

8 **COUNT TWO**

9 **VIOLATION OF NEVADA REVISED STATUTE 463.5733(1) AND NEVADA GAMING**
10 **COMMISSION REGULATIONS 8.010 AND/OR 15.585.7-2**

11 40. Complainant BOARD realleges and incorporates by reference as though set forth
12 in full herein paragraphs 1 through 39 above.

13 41. On or about May 15, 2012, CORRIGAN filed an NGC-09 Form with the BOARD.
14 This form reflected two transfers which the Nevada Gaming Commission has not approved.

15 42. This form reflected the Rogers Trust transferred its 50 percent interest in AKA to
16 the AGASSI TRUST and that Rogers was no longer a manager of AKA. This transfer
17 occurred in March of 2009.

18 43. This form also reflected that the Marquis Trust transferred its 31¼ percent of Class
19 A shares in FLAMINGO to the CORRIGAN TRUST. According to the Second Amendment
20 this transfer took place on or before January 9, 2009.

21 44. On or about October 30, 2012, and April 23, 2013, CORRIGAN and AGASSI
22 submitted applications for the transfer of interest set out in this count.

23 45. The actions and/or inactions of Respondents as set out above are violations of
24 Nevada Revised Statute 463.5733(1) and Nevada Gaming Commission Regulation 8.010,
25 and/or 15.585.7-2. This constitutes an unsuitable method of operation, and, as such, is
26 grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011 and 5.030.

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1 and Nevada Gaming Commission Regulations 5.010 and 5.030 the STATE GAMING
2 CONTROL BOARD prays for the relief as follows:

3 1. That the Nevada Gaming Commission serves a copy of this Complaint on
4 RESPONDENTS pursuant to NRS 463.312(2);

5 2. That the Nevada Gaming Commission fines RESPONDENTS a monetary sum
6 pursuant to the parameters defined at NRS 463.310(4) for each separate violation of the
7 provisions of the Nevada Gaming Control Act or the Regulations of the Nevada Gaming
8 Commission;

9 3. That the Nevada Gaming Commission takes action against RESPONDENTS'
10 license or licenses pursuant to the parameters defined in NRS 463.310(4); and


11 4. For such other and further relief as the Nevada Gaming Commission may deem just
12 and proper.

13 DATED this 7th day of August, 2013.

14 STATE GAMING CONTROL BOARD

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16 _____
A.G. BURNETTE, Chairman

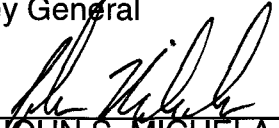
17 
18 _____
SHAWN R. REID, Member

19 
20 _____
TERRY JOHNSON, Member

21 Submitted by:

22 CATHERINE CORTEZ MASTO
23 Attorney General

24 By:


25 _____
JOHN S. MICHELA
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