

1 Case No. 14-23-RTR

2 STATE OF NEVADA

3 BEFORE THE NEVADA GAMING COMMISSION

4 In the Matter of:

5 NEVADA PROPERTY 1 LLC, dba
6 THE COSMOPOLITAN OF LAS VEGAS

7 STIPULATION FOR
8 SETTLEMENT AND ORDER

9 Claim for Refund of Live Entertainment Tax
10 for the Period of December 2011 through
11 September 2014.

12 The Claimant, NEVADA PROPERTY 1 LLC, dba THE COSMOPOLITAN OF LAS
13 VEGAS (COSMO), and the STATE GAMING CONTROL BOARD (BOARD) hereby stipulate
14 and agree that the Claim for Refund in NGC Case No. 14-23-RTR shall be settled on the
15 following terms and conditions:

16 1. On or about November 18, 2014, COSMO filed with the Nevada Gaming
17 Commission a claim for a tax refund for the period of December 2011 through September
18 2014, pursuant to Nevada Revised Statutes 368A.260, 463.370 and 463.387; Nevada
19 Administrative Code 368A.520; and Nevada Gaming Commission Regulation 6.180.

20 2. The BOARD, through its Audit Division, performed an investigation of the claim for
21 Refund filed by COSMO and verified an overstatement of live entertainment tax revenue in the
22 amount of \$729,589.58. This overstatement is a result of COSMO erroneously including
23 service charges imposed by Ticketmaster and remitted to COSMO as rebates.

24 3. The BOARD agrees to refund, and COSMO agrees to accept, as full and final
25 settlement of the Claim for Refund, in Case No. 14-23-RTR, \$72,958.95 in live entertainment
26 tax, plus \$2,218.54 in accrued interest through January 29, 2015, plus additional daily interest
27 of \$5.25 commencing January 29, 2015, until the refund is paid. Each party will bear its own
28 attorney fees and costs.

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

1 4. This settlement is made for the purposes of avoiding litigation and economizing
2 resources and does not constitute an admission of liability on the part of COSMO or the
3 BOARD, nor shall it operate or be construed as any precedent for the validity or invalidity of
4 any legal position taken in this matter by either party. This settlement is made exclusively
5 between the BOARD and COSMO, and no licensee may rely upon it for any purpose.

6 5. COSMO fully understands and voluntarily waives any right it may have to a public
7 hearing on the Claim for Refund, in NGC Case No. 14-23-RTR, and its right to pursue judicial
8 review in state district court or otherwise contest this matter in any court of competent
9 jurisdiction.

10 6. COSMO, for itself, its heirs, executors, administrators, successors, and assigns,
11 hereby releases, dismisses, and forever discharges the State of Nevada, the Nevada Gaming
12 Commission, the State Gaming Control Board, the Nevada Attorney General and each of their
13 members, agents, and employees in their individual and representative capacities from any
14 and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and
15 demands whatsoever known or unknown, in law and equity, that COSMO ever had, now has,
16 may have, or claims to have against any and all of the persons or entities named in this
17 paragraph arising out of, or by reason of, this Claim for Refund, NGC Case No. 14-23-RTR, or
18 any other matter relating thereto.

19 7. COSMO, for itself, its heirs, executors, administrators, successors, and assigns,
20 hereby indemnifies and holds harmless the State of Nevada, the Nevada Gaming
21 Commission, the State Gaming Control Board, the Nevada Attorney General, and each of
22 their members, agents, and employees in their individual and representative capacities
23 against any and all claims, suits, actions, debts, damages, costs, charges, and expenses,
24 including court costs and attorney's fees, and against all liability, losses, and damages of any
25 nature whatsoever that the persons and entities named in this paragraph shall or may have at
26 any time sustain or be put to by reason of this Claim for Refund, NGC Case No. 14-23-RTR,
27 or any other matter relating thereto.

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1 8. COSMO enters into this Stipulation freely and voluntarily. COSMO confirms that
2 this settlement is not a result of force, threats, or any other type of coercion or duress, but is
3 the product of negotiations between representatives of COSMO and the BOARD.


4 9. COSMO and the BOARD recognize and agree that the Nevada Gaming
5 Commission has the sole and absolute discretion to determine whether to accept this
6 Stipulation for Settlement. COSMO and the BOARD hereby waive any right they may have to
7 challenge the impartiality of the Nevada Gaming Commission to hear and consider the facts
8 and matters embraced in the COSMO, NGC Case No. 14-23-RTR, in the event the Nevada
9 Gaming Commission does not accept this Stipulation for Settlement.

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1 10. This Stipulation for Settlement shall not become effective until such time as the
2 Nevada Gaming Commission approves it. Such approval shall not constitute an admission of
3 liability on the part of the Nevada Gaming Commission.

4 DATED this 14th day of January, 2015.

5 NEVADA PROPERTY 1 LLC, dba
6 THE COSMOPOLITAN OF LAS VEGAS

7 
8 RONALD EIDELL
9 Chief Financial Officer
10 The Cosmopolitan of Las Vegas

STATE GAMING CONTROL BOARD



A.G. BURNETT, Chairman


SHAWN R. REID, Member


TERRY JOHNSON, Member

13 Submitted by:

14 ADAM PAUL LAXALT
15 Attorney General

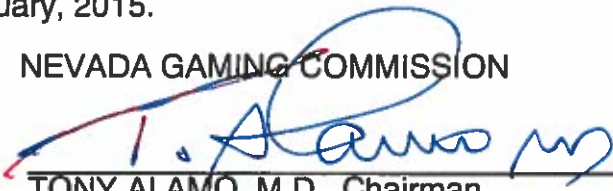
16 By: 
17 JOHN S. MICHELA
18 Senior Deputy Attorney General
19 Gaming Division
20 775-850-4153
21 Attorneys for the State Gaming Control Board

ORDER

22 IT IS SO ORDERED in NGC Case No. 14-23-RTR.

23 DATED this 29th day of January, 2015.

NEVADA GAMING COMMISSION


TONY ALAMO, M.D., Chairman