

STATE OF NEVADA GAMING CONTROL BOARD

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MEMORANDUM

DATE: February 7, 2006

TO: ALL NONRESTRICTED LICENSEES AND INTERESTED PERSONS

FROM: STATE GAMING CONTROL BOARD

SUBJECT: Nightclub Activities and Entertainment Selection

Recent and recurring events at nightclubs located on or within the property of gaming licensees continue to be a concern to the Gaming Control Board. Of particular concern to the board are incidences of excessive inebriation, drug distribution and abuse, violence, the involvement of minors, and the handling of those individuals who become incapacitated while at the club.

Additionally, the board has received a letter of concern from Sheriff Bill Young of the Las Vegas Metropolitan Police Department addressing the issue of booking certain types of entertainment into licensed properties. Specifically, there have been numerous incidents of violence before, during and after several "gangster rap" concerts, not just in Las Vegas, but nationally as well. The Las Vegas Metropolitan Police Department considers these events as serious threats to the community.

The Board recently conducted interviews with licensees/owners/operators of most of the nightclubs located within licensed locations in Clark County. While most clubs appear to have adequate policies and sufficient security, situations which have the potential to bring discredit to the State and act as a detriment to the development of the gaming industry continue to occur.

THEREFORE, be advised that regardless of ownership, the board will hold the licensee accountable for any regulatory violations that occur within or outside a night club located on the property of the licensee. The board will also expect the licensee to perform appropriate due diligence to determine that nightclub owners/operators are suitable. In addition, the board expects that same level of due diligence in determining suitability of entertainment brought onto a licensed property, and will similarly hold the licensee accountable for incidents occurring as a result of entertainment the licensee knew or should have known would likely cause such incidents.

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