



1 **NGC 08-17**

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**STATE OF NEVADA
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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POKER PALACE [a Nevada Domestic Corporation], dba THE POKER PALACE;
THE MARVIN E. COLEMAN SEPARATE PROPERTY TRUST; and MARVIN E. COLEMAN,

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Respondents.

STIPULATION FOR SETTLEMENT AND ORDER

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The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD), Complainant herein, filed and served a Complaint, NGC Case No. 08-17, 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. 08-17, filed against RESPONDENTS in the above-entitled case shall be settled on the following terms and conditions:

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1. RESPONDENTS, except where specifically stated otherwise in this document, neither admit nor deny that the factual allegations set forth in the Complaint, NGC Case No. 08-17, are true and correct, but enter into the settlement agreement because they believe that the BOARD could meet its burden of proof if this matter were to proceed to an evidentiary hearing before the Nevada Gaming Commission.

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2. RESPONDENTS do admit that the violations addressed in the Complaint, NGC Case No. 08-17, were brought by the BOARD as a result of an investigation, which was launched by the BOARD and conducted jointly with the United States Immigration and Customs Enforcement, into the activities of a group of alleged unlicensed bookmakers taking place at POKER PALACE, dba THE POKER PALACE (THE POKER PALACE).

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Attorney General's Office
Gaming Division
555 E. Washington Ave., Ste. 3900
Las Vegas, Nevada 89101

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1 3. RESPONDENTS fully understand and voluntarily waive the right to a public
2 hearing on the charges and allegations set forth in the Complaint, the right to present and
3 cross-examine witnesses, the right to a written decision on the merits of the Complaint, which
4 must contain findings of fact and a determination of the issues presented, and the right to
5 obtain judicial review of the Nevada Gaming Commission's decision.

6 4. RESPONDENTS agree to pay the sum of TWO HUNDRED FIFTY THOUSAND
7 DOLLARS (\$250,000) by 5:00 PM Pacific Standard Time on the day following the day this
8 stipulated settlement agreement is accepted by the Nevada Gaming Commission. The
9 payment shall be made payable to the *State of Nevada-Nevada Gaming Commission* via
10 electronic fund transfer. The amount represents a fine of ONE HUNDRED THOUSAND
11 DOLLARS (\$100,000) for Counts One through Five of the Complaint, NGC Case No. 08-17,
12 and a reimbursement of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) for the
13 costs incurred by the BOARD in connection with the investigation and prosecution of the
14 Complaint, NGC Case No. 08-17. Pursuant to NRS 17.130, interest shall accrue at FIVE and
15 1/4 PERCENT (5.25%) per annum on any unpaid balance computed from the date payment is
16 due until payment is made in full. The payment of this amount, and any accrued interest, by
17 the RESPONDENTS will be in full settlement and satisfaction of the allegations set forth in the
18 Complaint, NGC Case No. 08-17.

19 5. RESPONDENTS also agree to the placement of the following condition on the
20 nonrestricted gaming license of THE POKER PALACE:

21 The licensee shall maintain a Gaming Compliance Plan
22 ("Plan") and a Gaming Compliance Committee ("Committee") for
23 the purpose of, at a minimum, performing due diligence,
24 determining the suitability of relationships with other entities and
25 individuals, and to review and ensure compliance by the licensee
26 with the Nevada Gaming Control Act ("Act"), as amended, and the
27 Regulations of the Nevada Gaming Commission ("Regulations"),
28 as amended. The Plan, any amendments thereto, and the
members of the Committee, one of whom shall be independent of
the licensee and knowledgeable of the Act and Regulations, shall
be administratively reviewed and approved by the Chairman of the
State Gaming Control Board (Board) or his designee. The
licensee shall amend the Plan, or any element thereof, and
perform such duties as may be requested or assigned by the
Chairman of the Board or his designee relating to a review of

activities relevant to the continuing qualifications of the licensee under the provisions of the Act and Regulations.

6. RESPONDENTS further agree to submit an application for finding of suitability for the individual currently serving as the key employee at THE POKER PALACE and pay all costs associated with the filing of that application and the resulting investigation. In addition the RESPONDENTS agree to the placement of the following condition on the nonrestricted gaming license of THE POKER PALACE:

A key employee application must be filed within sixty (60) days of any change in the person occupying that position. The licensee is to pay all costs relating to the filing of the application and to the investigation of the applicant.

7. In consideration for the execution of this settlement agreement, RESPONDENTS, for themselves, their heirs, executors, administrators, successors, and assigns, hereby releases and forever discharges the State of Nevada, the Nevada Gaming Commission, the BOARD, the Nevada Attorney General and each of their members, agents, and employees in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever known or unknown, in law and equity, that RESPONDENTS ever had, now have, may have, or claim to have against any and all of the persons or entities named in this paragraph arising out of, or by reason of, the investigation of the allegations in the Complaint and this disciplinary action, NGC Case No. 08-17, or any other matter relating thereto.

8. In consideration for the execution of this settlement agreement, RESPONDENTS hereby indemnify and hold harmless the State of Nevada, the Nevada Gaming Commission, the BOARD, the Nevada Attorney General, and each of their members, agents, and employees in their individual and representative capacities against any and all claims, suits and actions, brought against the persons named in this paragraph by reason of the investigation of the allegations in the Complaint, filed in this disciplinary action, NGC Case No. 08-17, and all other matters relating thereto, and against any and all expenses, damages, charges and costs, including court costs and attorney fees, which may be sustained by the persons and entities named in this paragraph as a result of said claims, suits and actions.

1 9. RESPONDENTS enter into this Stipulation for Settlement freely and voluntarily
2 and with the assistance of legal counsel. RESPONDENTS acknowledge that this stipulated
3 settlement is not the product of force, threats, or any other form of coercion or duress, but is
4 the product of discussions between RESPONDENTS' Attorney and the attorney for the
5 BOARD.

6 10. RESPONDENTS and the BOARD acknowledge that this settlement is made to
7 avoid litigation and economize resources. The parties agree and understand that this
8 Stipulation for Settlement is intended to operate as full and final settlement of the Complaint
9 filed against RESPONDENTS in the above-entitled disciplinary action, NGC Case No. 08-17.

10 11. RESPONDENTS and the BOARD recognize and agree that the Nevada Gaming
11 Commission has the sole and absolute discretion to determine whether to accept this
12 stipulated settlement agreement. RESPONDENTS and the BOARD hereby waive any right
13 they may have to challenge the impartiality of the Nevada Gaming Commission to hear the
14 above-entitled case on the matters embraced in the Complaint if the Nevada Gaming
15 Commission determines not to accept this stipulated settlement agreement. If the Nevada
16 Gaming Commission does not accept the Stipulation for Settlement, it shall be withdrawn as
17 null and void and the RESPONDENTS' admissions, if any, that certain violations of the
18 Nevada Gaming Control Act and the Regulations of the Nevada Gaming Commission
19 occurred, or that the Board could meet its burden of proof, shall be withdrawn.

20 12. RESPONDENTS and the BOARD agree and understand that this settlement
21 agreement is intended to operate as full and final settlement of the Complaint filed in NGC
22 Case No. 08-17. The parties further agree and understand that any oral representations are
23 superseded by this Stipulated Settlement Agreement and that only those terms memorialized
24 in writing herein shall be effective.

25 13. RESPONDENTS agree and understand that although this settlement, if approved
26 by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 08-17,
27 that the allegations contained in the Complaint file in NGC Case No. 08-17 and the terms of
28 this settlement agreement may be considered by the BOARD and/or the Nevada Gaming

1 Commission, with regards to any and all applications by RESPONDENTS that are currently
2 pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future
3 with the BOARD.

4 14. Except as otherwise provided for in paragraph four (4) of this Stipulated
5 Settlement Agreement, RESPONDENTS and the BOARD shall each bear their own costs
6 incurred in this disciplinary action, NGC Case No. 08-17.

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1 15. This Stipulated Settlement Agreement shall become effective immediately upon
2 approval by the Nevada Gaming Commission.

3 DATED this _____ day of _____, 2009.

4 RESPONDENTS

STATE GAMING CONTROL BOARD

5 By: Marvin E. Coleman
6 MARVIN E. COLEMAN
7 Trustee

Dennis K. Neilander
DENNIS K. NEILANDER, Chairman

8 COHEN, JOHNSON & DAY

Randall E. Sayre
RANDALL E. SAYRE, Member

9 By: Steven B. Cohen
10 STEVEN B. COHEN, Esq.
11 Attorney for RESPONDENTS

Mark A. Lipparelli
MARK A. LIPPARELLI, Member

12 BALLARD, SPAHR, ANDREWS &
13 INGERSOLL, LLP

14 By: Bill Curran
15 BILL CURRAN, Esq.
16 Attorney for RESPONDENTS

Submitted by:

17 CATHERINE CORTEZ MASTO
18 Attorney General

19 By: Edward L. Magaw
20 EDWARD L. MAGAW
21 Deputy Attorney General
22 Gaming Division

ORDER

23 IT IS SO ORDERED in NGC Case No. 08-17.

24 DATED this 21 day of May, 2009.

25 NEVADA GAMING COMMISSION

Peter C. Bernhard

26 PETER C. BERNHARD, Chairman
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