



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

**IN RE: JOHNSTONS, INC. D/B/A
TASTEE DONUTS #70
NO. 2605206629**

ORDER


This matter was considered by the Louisiana Gaming Control Board at its meeting of June 20, 2006. The Hearing Officer's order dated June 7, 2006, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action," by and between Johnstons, Inc. d/b/a Tastee Donuts #70, No. 2605206629, and the State of Louisiana, Department of Public Safety and Corrections, Office of State Police, which is attached hereto and incorporated herein, is **APPROVED**.

THUS DONE AND SIGNED on this the 20 day of June, 2006.

LOUISIANA GAMING CONTROL BOARD

BY:


H. CHARLES GAUDIN, CHAIRMAN

LOUISIANA GAMING CONTROL BOARD
HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
PARTIES THIS 21st DAY
June, 2006
APPEAL DOCKET CLERK


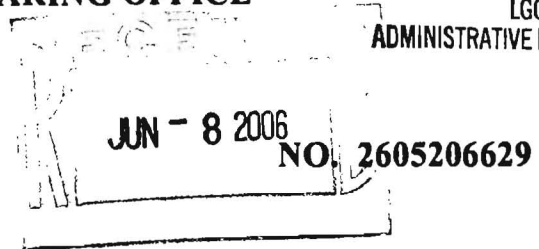
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**STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE**

JUN 07 2006

LGCB
ADMINISTRATIVE HEARING OFFICE

**IN RE: JOHNSTONS, INC.
d/b/a TASTEE DONUTS #70**



**JOINT MOTION FOR APPROVAL OF COMPROMISE AND
SETTLEMENT AGREEMENT**

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

COME NOW State of Louisiana, Department of Public Safety and Corrections, Office of State Police (“the Division”) and Johnstons, Inc. d/b/a Tastee Donuts, VGL 2605206629 (“the Licensee”), who file this Joint Motion for Approval of Compromise and Settlement Agreement, and in support thereof would respectively show unto the Hearing Officer as follows:

1.

The Division and the Licensee are desirous of compromising and settling all disputes between them relative to the referenced administrative proceeding. In connection therewith, the parties have entered into a compromise and settlement agreement which by its terms will become effective upon approval by the Administrative Hearing Office and the Louisiana Gaming Control Board.

2.


A true and correct copy of the proposed Compromise and Settlement Agreement is attached hereto as Exhibit “A” and incorporated by reference for all purposes.


[Handwritten signature in blue ink]
STATE COPI
Rep
Date

WHEREFORE, PREMISES CONSIDERED, the Division and the Licensee respectfully request that this Honorable Administrative Hearing Officer approve the parties' Compromise and Settlement Agreement.

Respectfully Submitted,

**CHARLES C. FOTI, JR.
ATTORNEY GENERAL**

By: 
John Johnston
3130 Loyola Drive
Kenner, Louisiana 70062
Telephone: 504 466-2136
*President and 50% shareholder
of Johnstons, Inc. d/b/a
Tastee Donuts #70*

By: 
O. Young, #24969
Assistant Attorney General
One Canal Place
365 Canal Street, Suite 2730
New Orleans, Louisiana 70130
Telephone: (504) 599-1149
Facsimile: (504) 599-1163
Counsel for the Office of State Police

**STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE**

**IN RE: JOHNSTONS, INC.
d/b/a TASTEE DONUTS #70**

NO. 2605206629

ORDER

BE IT REMEMBERED that on this 7th day of June, 2006, came on for consideration the Joint Motion for Approval of Compromise and Settlement Agreement, and the parties having appeared by and through their respective attorneys of record, and the Hearing Officer having considered the pleadings on file, the proposed Settlement Agreement, and the said Motion, and it appearing to the Hearing Officer that the said Compromise and Settlement Agreement should be approved; it is, therefore,

ORDERED, ADJUDGED, AND DECREED that the Compromise and Settlement Agreement attached to the parties' Joint Motion for Approval of Compromise and Settlement Agreement be, and the same is hereby, **APPROVED**.

SIGNED AND ENTERED this 7th day of June, 2006, in Baton Rouge, Louisiana.

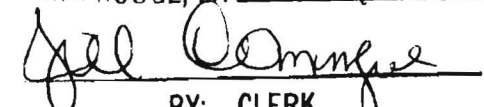
LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS _____ DAY
OF _____

CLERK, ADMINISTRATIVE HEARING OFFICE

cc: John Johnston
Young Bonnet
Sgt. Robert Rodriguez



WILLIAM H. BROWN
HEARING OFFICER

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 6/7/06

BY: CLERK

**STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE**

**IN RE: JOHNSTONS, INC.
d/b/a TASTEE #70**

NO. 2605206629

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and Johnstons, Inc. d/b/a Taste Donuts # 70 (hereinafter "Johnstons"), VGL 2605206629, do hereby represent and agree as follows:

WHEREAS, on March 21, 2006, the Louisiana Gaming Control Board issued a Notice of Recommendation of Administrative Action to Johnstons, Inc. d/b/a Taste Donuts #70 alleging certain violations of Louisiana Gaming Control Law; and

WHEREAS, the issues raised by said Notice of Recommendation of Administrative Action are set for hearing on June 7, 2006, before the Louisiana Gaming Control Board Administrative Hearing Office; and

WHEREAS, the Division and Johnstons are desirous of fully and finally compromising and settling all issues and disputes arising out of and in connection with the said Notice of Recommendation of Administrative Action;

NOW, THEREFORE, in consideration of the foregoing, the parties hereto do hereby agree and stipulate as follows:



STIPULATIONS

1. Johnstons, Inc. is owned by John Johnston, President and 50% shareholder and Lawrence Johnston, Secretary and 50% shareholder.
2. Johnstons, Inc. d/b/a Tastee Donuts #70, a licensed video gaming establishment, previously entered into a video poker device agreement with Master Video Poker.
3. Master Video Poker forwarded video gaming documents ("the Documents") to Johnstons for execution, including but not limited to the *Request to Release Information* dated June 1, 1994, signed by John Johnston; the *96/97 Renewal Application* dated April 25, 1996, signed by John Johnston; the *Annual Licensee Form* dated March 20, 2001, signed by John Johnston and the *Annual Licensee Form* dated March 9, 2002, signed by John Johnston.
4. John Johnston did not sign the Documents in the presence of a notary and the Documents were not notarized in the Affiant's presence. Thus, the Documents were improperly notarized in violation of LAC 42:XI.2405(A)(15). Further, the Division's investigation revealed that the purported notary was not a notary.
5. John Johnston and Lawrence Johnston represent that all of the statements, responses, disclosures and representations provided in the documents submitted to the Division bearing his signature are true and correct to the best of his knowledge, information and belief, and represents a complete and accurate account of the requested information.

TERMS AND CONDITIONS

1. Within fifteen (15) days of the approval of this settlement by the Louisiana Gaming Control Board, Johnstons shall pay a civil penalty of One Thousand Dollars (\$1000.00).

2. The Division hereby agrees to accept the payment of the above stated penalty in full and final settlement of all violations alleged in the March 21, 2006, Notice of Recommendation of Administrative Action.

3. Any and all information discovered throughout the course of this or any other investigation may be used in any future determination of the suitability of John Johnston, Lawrence Johnston, and Johnstons, Inc.

4. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.

5. This Compromise and Settlement Agreement constitutes the entire agreement between the Division and Johnstons pertaining to the subject matter contained herein and supersedes all prior and contemporaneous agreements, representations and understandings of the parties.

6. This Compromise and Settlement Agreement is subject to approval by the Hearing Officer and the Louisiana Gaming Control Board. It is expressly understood that if this proposed settlement is approved by the Hearing Officer, this agreement is not thereby executory, but will be submitted to the Louisiana Gaming Control Board for its determination as to whether to approve same or to remand the matter to the Hearing Officer for a full hearing on the merits.

7. If approved, however, payment of the above penalty must be submitted to the Division within (15) fifteen days of approval of this settlement by the Board. The failure to submit the civil penalty within fifteen (15) days of approval by the Board shall result in the immediate suspension of the license until such time as the penalty is paid in full.

I have read this entire Compromise and Settlement Agreement and agree to all stipulations and terms and conditions hereof.

John Johnston

John Johnston, President and 50% shareholder of Johnstons, Inc. d/b/a Tastee Donuts #70

Sworn to and subscribed before this 1st day of June, 2006.

Leo Jerome Ker...
Notary (number and stamp)
LEO JEROME KER...
NOTARY PUBLIC #1...
MY COMMISSION IS FOR LIFE

Notary (printed name)

Lawrence Johnston

Lawrence Johnston, Secretary and 50% shareholder of Johnstons, Inc. d/b/a Tastee Donuts #70

Sworn to and subscribed before this 5th day of June, 2006.

Melody Cosme
Notary (number and stamp)

NOTARY PUBLIC - STATE OF FLORIDA
Melody Cosme
Commission # DD456053
Expires: JULY 31, 2009
Bonded thru Atlantic Bonding Co., Inc.

Melody Cosme
Notary (printed name)

O. Young Bonner
O. Young Bonner, AAG on behalf of
State of Louisiana
Department of Public Safety & Corrections,
Office of State Police