



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

IN RE: BOYD GAMING, INC.
D/B/A TREASURE CHEST CASINO
NO. CGD050052

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of November 21, 2006. The Hearing Officer's order dated November 12, 2006, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action, No. CGD050052, by and between Boyd Gaming, Inc. d/b/a Treasure Chest Casino, License No. R012600098, 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 21st day of November, 2006.

LOUISIANA GAMING CONTROL BOARD

BY: H. Charles Gaudin (Signature)
H. CHARLES GAUDIN, CHAIRMAN

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 22nd DAY
OF November, 2006
APPEAL DOCKET CLERK
(Signature)

RECEIVED

NOV 13 2006

LGCB
ADMINISTRATIVE HEARING OFFICE

STATE OF LOUISIANA

NOV 14

LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING OFFICE

RE: **BOYD GAMING, INC.**
D/B/A TREASURE CHEST CASINO

CGD050052

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

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

NOW COME the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and Boyd Gaming Inc. and Treasure Chest Casino L.L.C. d/b/a Treasure Chest Casino (hereinafter "TCC") 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 TCC 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.

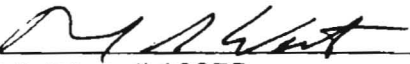


WHEREFORE, PREMISES CONSIDERED, The Division and TCC respectfully request that this Honorable Administrative Hearing Officer approve the parties' Compromise and Settlement Agreement.

Respectfully Submitted,

**BOYD GAMING INC.
AND TREASURE CHEST
CASINO L.L.C. d/b/a
TREASUER CEHST CASINO**

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

By: 
Paul S. West, # 13375
McGlinchey Stafford
Fourteenth Floor,
One American Place
Baton Rouge, Louisiana 70825
Telephone: (225) 383-9000
Facsimile: (225) 343-3076
Counsel for TCC

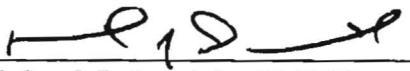
By: 
Michael J. Daniels, #20775
Assistant Attorney General
1885 North Third Street, 5th Floor
Baton Rouge, Louisiana 70802
Telephone: (225) 326-6500
Facsimile: (225) 326-6599
*Counsel for the Office of State
Police*

EXHIBIT "A"

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

**RE: BOYD GAMING, INC.
D/B/A TREASURE CHEST CASINO**

CGD050052

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and Boyd Gaming Inc. and Treasure Chest Casino L.L.C. d/b/a Treasure Chest Casino (hereinafter "TCC") do hereby represent and agree as follows:

WHEREAS, the Louisiana Gaming Control Board has issued a Notice of Recommendation of Administrative Action and an Amended Notice of Recommendation of Administrative Action to TCC alleging certain violations of Louisiana Gaming Control Law; and

WHEREAS, the issues raised by the said Notice of Recommendation of Administrative Action and Amended Notice of Recommendation of Administrative Action are set for status on November 13, 2006, before the Louisiana Gaming Control Board Administrative Hearing Office; and

WHEREAS, the Division and TCC 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 and Amended 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. On November 23, 2004, TCC received authorization to transfer the Primary Progressive amount of \$19,963.98 from link fifty-two (52) to link ten (10) and to transfer the secondary progressive amount of \$9,981.99 from link fifty-two (52) to link twenty-five (25). Also on November 23, 2004, TCC received authorization to transfer six stand alone progressive amounts of \$280.50 to link 10. The authorization completion date given by the Division for both transactions was November 25, 2004. The transfers were completed on November 30, 2004.

2. On November 30, 2004, the incremental rates and base amounts on link 10 and link 25 were changed without authorization from the Division.

3. On December 3, 2004, the incremental rates and base amounts on link 10 and link 25 were again changed without authorization from the Division.

4. These alterations had no affect on the random combination selection for the outcome of the games, but they did affect the amount of money won by a patron who hit a jackpot.

5. On or about December 21, 2004, TCC became aware of the unauthorized alteration's affects on the amount of money won by its patrons and failed to notify the Division.

6. The Division learned of the alterations on or about January 18, 2005.

7. The Division has reviewed the jackpots won on the twenty-eight affected EGDs. Twelve jackpots were won by eleven patrons. The patrons were underpaid \$44,098.64.

8. TCC has paid each patron their additional winnings.

9. TCC modified seven slot machines from round tops to flat tops without prior written approval from the Division.

TERMS AND CONDITIONS

1. TCC will pay THREE HUNDRED SIXTY THOUSAND DOLLARS (\$360,000.00) to the State of Louisiana.

2. The Division hereby agrees to accept TCC's payment of the above stated amount in full and final settlement of CGD 050052.

3. The Division reserves the right to take into consideration these stipulations in connection with any future violation(s), assessment of penalty or determination of the suitability of Boyd Gaming Inc. and Treasure Chest Casino L.L.C. d/b/a Treasure Chest Casino.

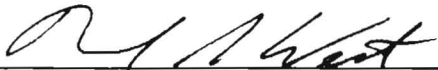
4. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.

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

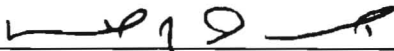
6. This Compromise and Settlement Agreement is subject to approval by the Hearing Officer and the Louisiana Gaming Control Board. It is expressly understood that if this proposed settlement is approved by the Hearing Officer, this agreement is not thereby executory, but will be submitted to the Louisiana 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. Failure to submit THREE HUNDRED SIXTY THOUSAND DOLLARS (\$ 360,000.00) to the State of Louisiana within fifteen (15) days of the approval of this agreement by the Louisiana Gaming Control Board shall result in the immediate suspension of Treasure Chest Casino L.L.C. d/b/a Treasure Chest Casino's license.

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



**Paul S. West on behalf of Treasure
Chest Casino L.L.C. d/b/a Treasure Chest Casino**



**Michael J. Daniels, AAG on behalf of
State of Louisiana
Department of Public Safety & Corrections,
Office of State Police**

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

RE: **BOYD GAMING, INC.**
D/B/A TREASURE CHEST CASINO

CGD050052

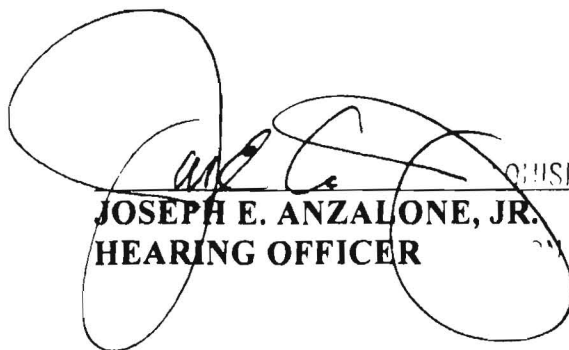
ORDER


BE IT REMEMBERED that on this the 12 day of November, 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 12 day of November, 2006, in Baton Rouge, Louisiana.

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
PARTIES THIS 13th DAY
11/13/06
Jill Commye
CLERK, ADMINISTRATIVE HEARING OFFICE
cc: Paul West
Michael Daniels
Sgt. Lebrna Falcon


JOSEPH E. ANZALONE, JR.
HEARING OFFICER

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 11/13/06

BY: CLERK