



State of Louisiana

KATHLEEN BABINEAUX BLANCO
GOVERNOR

Gaming Control Board

H. CHARLES GAUDIN
CHAIRMAN

ANNE LACOUR NEEB
EXECUTIVE DIRECTOR

IN RE: K & B AMUSEMENTS, L.L.C. D/B/A K & B AMUSEMENTS NO. 5500610855

ORDER

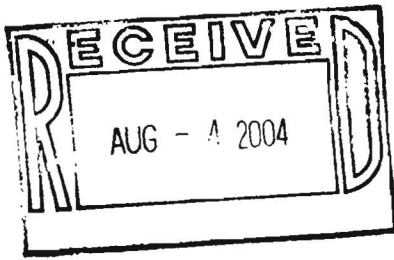
This matter was considered by the Louisiana Gaming Control Board at its meeting of September 14, 2004. The Hearing Officer's order dated August 3, 2004, based on the "Joint Motion for Entry of Stipulations and Approval of Proposed Settlement" in the matter of the "Notice of Recommendation of Revocation or Suspension", between K & B Amusements, L.L.C. d/b/a K & B Amusements, No. 5500610855, and the State of Louisiana, Department of Public Safety and Corrections, Office of State Police, Video Gaming Division, which is attached hereto and incorporated herein, is **APPROVED**.

THUS DONE AND SIGNED on this the 20th day of September, 2004.

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 September, 2004
APPEAL DOCKET CLERK
[Signature]



RECEIVED

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

AUG 03 2004

LGCB
ADMINISTRATIVE HEARING OFFICE

**IN RE: K & B AMUSEMENTS, LLC
d/b/a K & B AMUSEMENTS**

CASE NO. 5500610855

**JOINT MOTION FOR ENTRY OF STIPULATIONS
AND APPROVAL OF PROPOSED SETTLEMENT**

ON THE JOINT MOTION OF:

1. the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "Division"), represented by the undersigned Assistant Attorney General, and
2. K & B Amusements, LLC d/b/a K & B Amusements, license number 5500610855 (herein "licensee"),

who respectfully enter the following stipulations into the record:

WHEREAS:

1. The Division received notification from the Louisiana State Police Criminal Records Unit of criminal activity involving Kane Corte. Mr. Corte holds a 50% membership interest in the licensee;
2. Upon investigation, the Division discovered the following criminal activity involving Kane Corte:
 - a) a December 6, 2001 arrest for DWI, to which Mr. Corte pled guilty on December 10, 2002;
 - b) two December 2, 2001 misdemeanor summonses for Disturbing the Peace and Criminal Trespassing;
 - c) a December 18, 2001 misdemeanor summons for two counts of Simple Battery;
 - d) a September 14, 2002 arrest for Illegal Use of a Weapon; and
 - e) a March 10, 2003 arrest on an outstanding Terrebonne Parish Sheriff's Office warrant relating to Simple Battery;
3. The licensee did not disclose any of the above criminal activity to the Division, neither at the time of occurrence, nor in subsequent applications or correspondence to the Division;

TRUE COPY

Representative
Louisiana Gaming Control Board

4. Based on the Division's investigation, the Louisiana Gaming Control Board issued the licensee a ~~Notice of Recommendation of Revocation or Suspension~~ on December 11, 2003, based on the provisions found in LAC 42:XI.2411(A)(9), LAC 42:XI.2417(B)(3), LAC 42:2417(B)(4), La. R.S. 27:308(B), La. R.S. 27:310(B)(1)(a - c), La. R.S. 27:310(B)(2) and La. R.S. 27:310(C);
5. This matter is scheduled for hearing on August 3, 2004 at 9:00 a.m. before the Honorable William H. Brown,

NOW THEREFORE, in consideration of the foregoing Stipulations, the Division and the licensee hereby propose the following settlement:

1. The licensee acknowledges that it violated La. R.S. 27:310(C), LAC 42:XI.2411(A)(9) and LAC 42:XI.2417(B)(4), in that it failed to notify the Division of the criminal activity of Kane Corte;
2. The licensee agrees that within thirty (30) days of approval of this settlement by the Louisiana Gaming Control Board, Mr. Kane Corte shall be completely divested of all ownership interest, income interest, profit interest, and revenue interest in the licensee. The licensee further agrees that Mr. Kane Corte shall not be involved in the business of the licensee in any capacity which would require him to be found suitable by the Division (in accordance with La. R.S. 27:310(D)), unless the licensee receives prior written approval from the Division;
3. In lieu of revocation or suspension of the licensee's video gaming license, the licensee shall pay a civil penalty for non-compliance in the aggregate and complete sum of **THIRTEEN THOUSAND FIVE-HUNDRED-SEVENTY-NINE DOLLARS**, which represents ten (10) days average of the licensee's video gaming revenues, less franchise fees, received during the period of non-compliance from December of 2001 through June of 2003 (see Exhibit 1);
4. The Division hereby agrees to accept the licensee's payment of the above stated penalty, along with the exclusion of Kane Corte, in full and final settlement of this Notice of Recommendation of Revocation or Suspension;
5. The Division reserves the right to take into consideration these violations in connection with any future violation;
6. The form and substance of this settlement are to be interpreted under the laws of the State of Louisiana;
7. This settlement constitutes the entire agreement between the Division and K & B Amusements, LLC d/b/a K & B Amusements pertaining to the subject matter contained

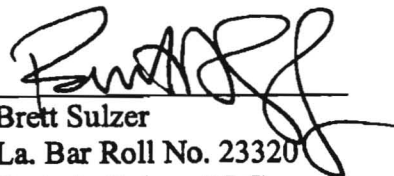
herein, and supercedes all prior and contemporaneous agreements, representations, and understandings of the parties;

8. This settlement is subject to approval by the Hearing Officer of the Louisiana Gaming Control Board; it is expressly understood that if this proposed settlement is approved by the Hearing Officer, this agreement is not executory and will be submitted to the Board for its determination as to whether the matter should be heard by the Hearing Officer; if approved, however, the licensee must complete the exclusion of Kane Corte within thirty (30) days and pay the above civil penalty to the state within fifteen (15) days of approval – failure to do so shall result in the revocation of the licensee's Type 6 video gaming license; and
9. The Division and the licensee waive their rights to appeal this settlement if the Order is signed by the Hearing Officer and accepted by the Board.

Respectfully submitted,

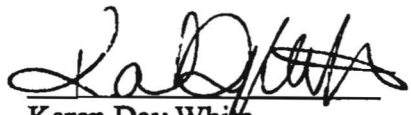
K & B AMUSEMENTS, LLC
d/b/a K & B AMUSEMENTS

BY:


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ATTORNEY GENERAL

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

**IN RE: K & B AMUSEMENTS, LLC
d/b/a K & B AMUSEMENTS**

CASE NO. 5500610855

ORDER

Considering the foregoing Motion, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED**, that the foregoing Joint Motion for Entry of Stipulations of facts be accepted, approved and entered into the record of this proceeding;

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, that the foregoing proposed settlement be approved, to-wit:

1. in lieu of revocation or suspension of its Type 6 video gaming license, the licensee shall pay a civil penalty in the amount of **\$13,579.00**, which is payable within fifteen (15) days from the date of approval of this settlement by the Louisiana Gaming Control Board;
2. within thirty (30) days of approval of this settlement by the Louisiana Gaming Control Board, Mr. Kane Corte shall be completely divested of all ownership, income interest, profit interest, and revenue interest in the licensee; and
3. Mr. Kane Corte shall not be involved in the business of the licensee in any capacity which would require him to be found suitable by the Division, unless the licensee receives prior written approval from the Division for his participation.

THUS DONE AND SIGNED, this 3rd day of August, 2004,
in Baton Rouge, Louisiana.



William H. Brown
Hearing Officer

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 3rd DAY
OF August 2004
Pat Domingue
DOCKET CLERK, ADMINISTRATIVE HEARING OFFICE

cc: Brett Sutzler
Karen White
Sabrina Barber

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 8/3/04
Pat Domingue
BY: CLERK