

State of Louisiana
Gaming Control Board

BOBBY JINDAL GOVERNOR H. CHARLES GAUDIN CHAIRMAN

IN RE: RASPUTIN, LLC D/B/A HIP STIX NO. 3601214291

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of May 20, 2008. The Hearing Officer's order dated May 7, 2008, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action," No. 3601214291, by and between Rasputin, LLC d/b/a Hip Stix, 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 20th day of May, 2008.

LOUISIANA GAMING CONTROL BOARD

BY:

L'CHARLES GAUDIN, CHAIRMAN

HJC/gac

LOUISIANA GAMING CONTROL BOARD

1 HEREBY CERTIFY THAT A CERTIFIED

COPY HAS BEEN MAILED OR SERVED ON

ALL PARTIES THIS DAY

-

9100 Bluebonnet Centre, Suite 500, Baton Rouge, LA 70809 Phone: (225) 295-8450 Fax: (225) 295-8479 STATE OF LOUISIANA

RECEIVED

LOUISIANA GAMING CONTROL BOARD

MAY 0 5 2008

ADMINISTRATIVE HEARING OFFICE

LGCB ADMINISTRATIVE HEARING OFFICE

IN RE: Rasputin, LLC d/b/a Hip Stix

LICENSE NO. 3601214291

JOINT MOTION FOR APPROVAL OF COMPROMISE AND SETTLEMENT AGREEMENT

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

COME NOW the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and Rasputin, LLC d/b/a Hip Stix (hereinafter, "Rasputin" or "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 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.

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

Respectfully Submitted,

Rasputin, LLC

George Nelson

870 Tchoupitoulas Ave.

New Orleans, Louisiana 70130

JAMES D. "BUDDY" CALDWELL

ATTORNEY GENERAL

Danielle Boudreaux, Assistant Attorney General

La Bar Roll No. 29770

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Counsel for the Office of State Police

STATE OF LOUISIANA

LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING OFFICE

IN RE: Rasputin, LLC d/b/a Hip Stix

LICENSE NO. 3601214291

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and Rasputin, LLC d/b/a Hip Stix (hereinafter, "Rasputin" or "Licensee"), License No. 3601214291, do hereby represent and agree as follows:

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

WHEREAS, the issues raised by the said Notice of Recommendation of Administrative

Action are set for hearing before the Louisiana Gaming Control Board Administrative Hearing

Officer; and

WHEREAS, the Division and Licensee 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

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

STIPULATIONS

- 1. George Nelson has 100% membership/ownership interest in video gaming licensee, Rasputin, LLC d/b/a Hip Stix. George Nelson's spouse is Tanya Nelson.
- 2. By correspondence dated May 1, 2007, the Internal Revenue Service ("IRS") notified the Division that George Nelson, and his spouse, Tanya Nelson, were delinquent in the filing and/or paying of taxes owed to the IRS.
- 3. In a letter dated May 11, 2007, the Division provided notice of tax delinquency to George Nelson and Tanya Nelson. The notice provided (30) days to correct the tax delinquencies, and it was sent via certified mail to 823 Fulton Street, New Orleans, Louisiana 70130. According to the return receipt, "S. Rodriguez" accepted delivery of the certified letter on May 23, 2007.
- 4. On January 21, 2008, the Louisiana Gaming Control Board issued a Notice of Recommendation of Administrative Action to the Licensee alleging certain violations of Louisiana Gaming Control Law.
- 5. On May 5, 2008, the IRS informed the Division that George Nelson and Tanya Nelson were current in the filing and payment of federal taxes.
- 6. The Licensee does admit it violated LAC 42:XI.2405(B)(1)(b) and LAC 42:XI.2417(C)(1)(i).

TERMS AND CONDITIONS

1. Within fifteen (15) days of the approval of this settlement by the Louisiana Gaming Control Board, the Licensee shall pay a civil penalty of Five Hundred Dollars (\$500.00) for two violations of LAC 42:XI.2405(B)(1)(b) and LAC 42:XI.2417(C)(1)(i).

- 2. The Division hereby agrees to accept the payment of Five Hundred Dollars (\$500.00) in full and final settlement of the Notice of Recommendation of Administrative Action.
- 3. The Division reserves the right to take into consideration these admitted violations in connection with any future investigation, violation or assessment of penalty, and in connection with any future assessments of the Licensee's suitability.
- 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 the Licensee 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 by the Louisiana Gaming Control Board, the Licensee must pay Five Hundred Dollars (\$500.00) within fifteen (15) calendar days of such approval. Any failure to meet this requirement will result in immediate suspension of the gaming license without the necessity of any further administrative action 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.

George Nelsoh, on behalf of Rasputin, LLC d/b/a Hip Stix

Danielle Boudreaux, La Bar Roll #29770

Assistant Attorney General, on behalf of the State of Louisiana,

Department of Public Safety & Corrections,

Office of State Police

STATE OF LOUISIANA

LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING OFFICE

IN RE: Rasputin, LLC d/b/a Hip Stix

LICENSE NO. 3601214291

BE IT REMEMBERED that on the ____ day of ______, 2008, came on for consideration the Motion for Approval of Compromise and Settlement Agreement, 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; that the Licensee must pay Five Hundred Dollars (\$500.00) to the Division within fifteen (15) days of approval by the Louisiana Gaming Control Board. Failure to do so shall result in the immediate suspension of the gaming license without the necessity of any further administrative action until such time as the penalty is paid in full.

SIGNED AND ENTERED this

day of Ma

2008, in Baton

Rouge, Louisiana.

HONORABLE WILLIAM

HEARING OFFICER