

KATHLEEN BABINEAUX BLANCO GOVERNOR Gaming Control Board

H. CHARLES GAUDIN CHAIRMAN

IN RE: ST. CHARLES GAMING COMPANY, INC. D/B/A ISLE OF CAPRI CASINOS, INC.- LAKE CHARLES NO. CGD050359

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of July 18, 2006. The Hearing Officer's order dated July 10, 2006, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Violation and Penalty and Written Warning," Violation No. CGD050359, by and between St. Charles Gaming Company, Inc. d/b/a Isle of Capri Casinos, Inc.— Lake Charles, License No. R011700174, 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

LOUISJANA GAMING CONTROL BOARD

BY:

H. CHARLES GAUDIN, CHAIRMAN

APPEAL DOCKET CLERK was

STATE OF LOUISIANA LOUISIANA GAMING CONTROL BOARD ADMINISTRATIVE HEARING OFFICE

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2006

NO. CGD050359

IN RE: ST. CHARLES GAMING COMPANY, INC. d/b/a ISLE OF CAPRI – LAKE CHARLES

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, Casino Gaming Division ("the Division") and St. Charles Gaming Company, Inc. d/b/a Isle of Capri Casinos, Inc. – Lake Charles, ("IOC"), 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 IOC 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.

Representative Louisiana Gaming Control Beard 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

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STATE OF LOUISIANA LOUISIANA GAMING CONTROL BOARD ADMINISTRATIVE HEARING OFFICE

IN RE: ST. CHARLES GAMING COMPANY, INC. d/b/a ISLE OF CAPRI – LAKE CHARLES

NO. CGD050359

ORDER

BE IT REMEMBERED that on this 10th day of July, 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 10th day of July, 2006, in Baton Rouge,

Louisiana.

DAY James Day

JOSEPH E. ANZALONE, JR. HEARING OFFICER

A TRUE COPY ATTEST

LOUISIANA GAMING CONTROL BOARD

HEARING OFFICE

BATON ROUGE, LA

BY: CLERK

STATE OF LOUISIANA LOUISIANA GAMING CONTROL BOARD ADMINISTRATIVE HEARING OFFICE

IN RE: ST. CHARLES GAMING COMPANY, INC. d/b/a ISLE OF CAPRI – LAKE CHARLES

NO. CGD050359

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and St. Charles Gaming Company, Inc. d/b/a Isle of Capri Casinos, Inc. – Lake Charles hereinafter ("IOC"), do hereby represent and agree as follows:

WHEREAS, on April 6, 2006, the Division issued a Notice of Violation and Penalty and Written Warning ("the Notice") designated as CGD050359 to IOC alleging certain violations of Louisiana gaming regulations, all as more fully set forth in the Notice, and arising out of an inspection of the IOC Table Drop and Bill Validator Counts, conducted by the Division on June 20, 2005; and

WHEREAS, the issues raised by said Notice of Violation and Penalty and Written Warning are set for hearing on July 10, 2006, before the Louisiana Gaming Control Board Administrative Hearing Office; and

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

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



STIPULATIONS

- IOC's Controller participated in the Table Drop count on June 12, 2005 and the
 Table Drop and Bill Validator counts on June 13 and 20, 2005.
- 2. IOC does admit that it violated LAC 42:XIII.2715(A)(1), LAC 42:XIII.2715(A)(7), LAC 42:XIII.2717(K)(1)(b), and LAC 42:XIII.2723(Q)(13) when its Controller participated in the Table Drop and Bill Validator Count processes.

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 TWENTY THOUSAND DOLLARS (\$20,000.00).
- 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 Notice of Violation and Penalty and Written Warning, CGD050359.
- 3. The Division reserves the right to take into consideration these admitted violations in connection with any future investigation, violation, assessment of penalty or the ongoing suitability of IOC.
- 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.

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.

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danet Boles, on behalf of St. Charles Gaming Company, Inc.

d/b/a Isle of Capri Casinos, Inc. – Lake Charles

O. Young Bonner, AAG on behalf of

State of Louisiana

Department of Public Safety & Corrections,

Office of State Police