



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

IN RE: GILSBAR, INC.
NO. P085200730

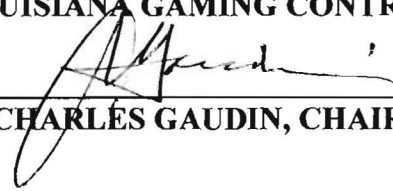
ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of September 18, 2007. The Hearing Officer's order dated September 12, 2007, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action," No. P085200730, by and between Gilsbar, Inc., 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 18th day of *September*, 2007.

LOUISIANA GAMING CONTROL BOARD

BY:


H. CHARLES GAUDIN, CHAIRMAN

HJC/gac

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 18th DAY
OF September, 2007

APPEAL DOCKET CLERK


RECEIVED

SEP 12 2007

LGCB
ADMINISTRATIVE HEARING OFFICE

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

IN RE: GILSBAR, INC.

NO. P085200730

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

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

NOW COMES the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division"), and Gilsbar, Inc., Permit No. P085200730 (hereinafter, "Permittee"), 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 Permittee 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.

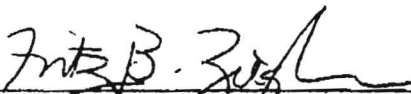
A true and correct copy of the proposed Compromise and Settlement Agreement is attached hereto as Exhibit "A" and incorporated by reference for all purposes.

TRUE COPY
[Signature]
Rep. Secretary
of State

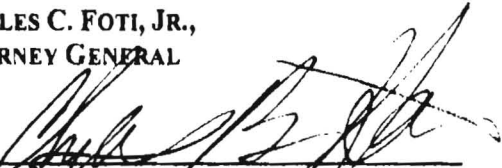
WHEREFORE, PREMISES CONSIDERED, the Division and Permittee respectfully request that this Honorable Administrative Hearing Officer approve the parties' Compromise and Settlement Agreement.

Respectfully submitted,

GILSBAR, INC.

By: 
Fritz B. Ziegler, Bar Roll #13795
434 East Lockwood Street
Post Office Box 2244
Covington, Louisiana 70434
Telephone: (985) 871-0100
Facsimile: (985) 871-0101
Counsel for Gilsbar, Inc.

CHARLES C. FOTI, JR.,
ATTORNEY GENERAL

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

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

IN RE: GILSBAR, INC.

NO. P085200730

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and Gilsbar, Inc., Permit, No. P085200730 (hereinafter, "Permittee"), do hereby represent and agree as follows:

WHEREAS, the Louisiana Gaming Enforcement Division has issued a Notice of Recommendation of Administrative Action to Permittee, 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 on September 12, 2007, before the Louisiana Gaming Control Board Administrative Hearing Office; and

WHEREAS, the Division and Permittee 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:

STIPULATION

1. Permittee stipulates that on January 7, 2005, Permittee, Gilsbar Holding, LLC and Gilsbar Merger Sub, LLC entered in a Joint Agreement of Merger. The merger provided for

the cancellation and exchange of certain shares of the constituent entities and for the merger of Gilsbar Merger Sub, LLC with and into Permittee, the surviving entity. Permittee failed to report the merger to state police.

2. On January 9, 2005, Permittee elected the following persons as officers of the corporation: Judy Schott, Secretary, and Elizabeth Barbin, Assistant Secretary. Permittee failed to notify the Division of the appointment of these two officers.

3. On January 12, 2006, Permittee elected Douglas Layman as Vice President of the corporation, but failed to notify the Division of his appointment as an officer of Permittee.

4. In October 31, 2006, Permittee accepted the resignation of Harold A. Aucoin as an officer and director of the corporation, but failed to notify the Division of his resignation.

5. Permittee admits it violated LAC 42:VII.2901(B)(4), LAC 42:IX.2901(B)(4) and LAC 42:XIII.2901(B)(4).

TERMS AND CONDITIONS

1. Within fifteen (15) days of the approval of this settlement by the Louisiana Gaming Control Board, Permittee shall pay Five Thousand and No/ 100 (\$5,000.00) Dollars.

2. The Division hereby agrees to accept Five Thousand and No/ 100 (\$5,000.00) Dollars for the Permittee's violation of LAC 42:VII.2901(B)(4), LAC 42:IX.2901(B)(4) and LAC 42:XIII.2901(B)(4).

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

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

5. 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.

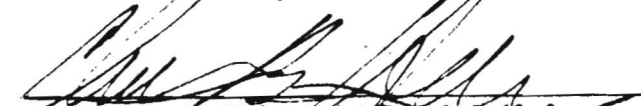
6. If approved by the Louisiana Gaming Control Board, Permittee must pay Five Thousand and No/ 100 (\$5,000.00) Dollars within fifteen (15) calendar days of such approval. Any failure to meet this requirement will result in immediate suspension of the gaming Permit until such payment is made without the necessity of any further administrative action.

7. The Division reserves the right to take into consideration these committed violations in connection with any future investigation, violation or assessment of penalty, and in connection with any future assessments of the Permittee's suitability.

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



Fritz B. Ziegler, on behalf of Gilsbar, Inc.



**Christopher B. Hebert, 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

IN RE: GILSBAR, INC.

NO. P085200730

ORDER

BE IT REMEMBERED that on the 12 day of Sept, 2007, 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,

ORDER, 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 Sept, 2007, in Baton Rouge, Louisiana.



WILLIAM H. BROWN
HEARING OFFICER

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 9/12/07

LOUISIANA GAMING CONTROL BOARD
BY THAT A CERTIFIED
COPIES OR SERVED ON
Jill Compton 12/2007 DAY
SECRETARY, ADMINISTRATIVE HEARING OFFICE
12/12/2007
Christopher H. Baker
Lt. Colonel Baker

Jill Compton
CLERK