



State of Louisiana  
Gaming Control Board

BOBBY JINDAL  
GOVERNOR

H. CHARLES GAUDIN  
CHAIRMAN

IN RE: PNK (LAKE CHARLES), L.L.C. D/B/A L'AUBERGE DU LAC  
NO. CGD060092

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of February 19, 2008. The Hearing Officer's order dated February 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," Violation No. CGD060092, by and between PNK (Lake Charles), L.L.C. d/b/a L'Auberge Du Lac, License No. R011001707, 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 19<sup>th</sup> day of February, 2008.

LOUISIANA GAMING CONTROL BOARD

BY: H. Charles Gaudin  
H. CHARLES GAUDIN, CHAIRMAN

HCG/gac

LOUISIANA GAMING CONTROL BOARD  
I HEREBY CERTIFY THAT A CERTIFIED  
COPY HAS BEEN MAILED OR SERVED ON  
ALL PARTIES THIS 20th DAY  
OF February 2008  
APPEAL DOCKET CLERK  
Adrian A. Gaudin

**RECEIVED**

FEB 06 2008

LGCB  
ADMINISTRATIVE HEARING OFFICE

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

**IN RE: PNK (LAKE CHARLES), L.L.C.  
D/B/A L'AUBERGE DU LAC**

**NO. CGD060092**

**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 (the "Division") and PNK (Lake Charles), L.L.C. d/b/a L'Auberge du Lac (hereinafter "PNK Lake Charles"), 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 PNK Lake Charles 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.

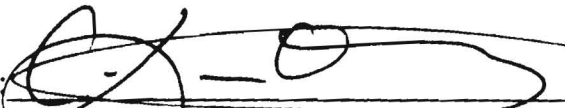


A true and correct copy of the proposed Compromise and Settlement Agreement is attached hereto as Exhibit "A" and incorporated by reference for all purposes.

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

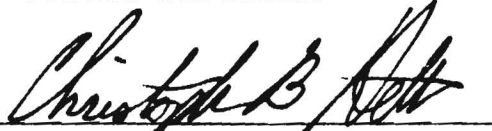
Respectfully Submitted,

**STONE PIGMAN WALTHER  
WITTMANN L.L.C.**

By: 

**C. Lawrence Orlansky, #2039**  
546 Carondelet Street  
New Orleans, Louisiana 70130  
Telephone: (504) 581-3200  
Facsimile: (504) 581-3361  
*Counsel for PNK Lake Charles*

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

By: 

**Christopher B. Hebert, #29044**  
Assistant Attorney General  
1885 North Third Street, 5<sup>th</sup> 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**

**IN RE: PNK (LAKE CHARLES), L.L.C.  
D/B/A L'AUBERGE DU LAC**

**NO. CGD060092**

**COMPROMISE AND SETTLEMENT AGREEMENT**

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and PNK (Lake Charles), L.L.C. d/b/a L'Auberge du Lac (hereinafter, "PNK Lake Charles") do hereby represent and agree as follows:

**WHEREAS**, the Louisiana Gaming Control Board has issued a Notice of Recommendation of Administrative Acton to PNK Lake Charles alleging certain violations of Louisiana Gaming Control Law; and

**WHEREAS**, the issues raised by the said Notice of Recommendation of Administrative Acton are set for hearing before the Louisiana Gaming Control Board Administrative Hearing Office; and

**WHEREAS**, the Division and PNK Lake Charles 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 Acton;

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

### **STIPULATIONS**

1. In 2005, PNK Lake Charles employed a Senior Director of Security, Compliance and Risk Management. This position required the individual to possess a Key Gaming Employee Permit.
2. A conditional Key Gaming Employee Permit was issued on May 3, 2006.
3. Prior to securing the conditional permit, the Senior Director of Security, Compliance and Risk Management performed activities regulated by the Louisiana Gaming Control Law.
4. These activities constitute a violation of LAC 42:XIII.2107, LAC 42:XIII.2159, and LAC 42:XII.2715(G).

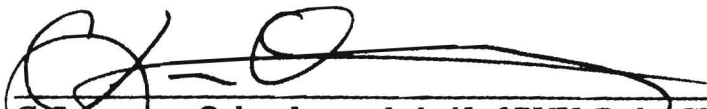
### **TERMS AND CONDITIONS**

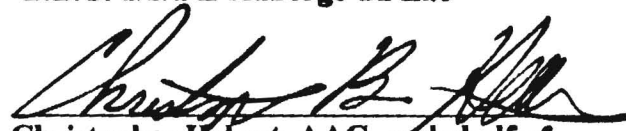
1. PNK Lake Charles will pay a civil penalty of **NINETY THOUSAND AND NO/100 DOLLARS (\$ 90,000.00)**.
2. The Division hereby agrees to accept PNK Lake Charles' payment of the above stated penalty in full and final settlement of CGD060092.
3. The Division reserves the right to take into consideration these admitted violations in connection with any future investigation, violation or assessment of penalty and in connection with any future assessments of PNK Lake Charles' 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 PNK Lake Charles, 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. Failure to pay the penalty within fifteen (15) days of approval of this settlement by the Louisiana Gaming Control Board, and to comply with each term and condition listed herein, shall result in the immediate suspension of PNK Lake Charles' license without the necessity of further administrative action, until such time as the penalty is paid in full .

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

  
\_\_\_\_\_  
**C. Lawrence Orlansky, on behalf of PNK (Lake Charles),  
L.L.C. d/b/a L'Auberge du Lac**

  
\_\_\_\_\_  
**Christopher 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: PNK (LAKE CHARLES), L.L.C.  
D/B/A L'AUBERGE DU LAC

NO. CGD060092


ORDER

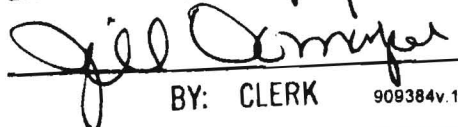
BE IT REMEMBERED that on the \_\_\_\_ day of February, 2008, came on for consideration the Joint Motion for Approval of Compromise and Settlement Agreement, and the parties having appeared by and through their respective attorneys of record, and the Hearing Officer having considered the pleadings on 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 7<sup>th</sup> day of February, 2008, in Baton Rouge, Louisiana.

LOUISIANA GAMING CONTROL BOARD  
CERTIFIED THAT A CERTIFIED  
CLERK OR SERVED ON  
John King 7<sup>th</sup> DAY  
Feb 7 2008  
CLERK, ADMINISTRATIVE HEARING OFFICE  
C. Lawrence Orlemsky  
Christopher Debat  
Lt. James Mc Guane

  
\_\_\_\_\_  
WILLIAM H. BROWN  
HEARING OFFICER

A TRUE COPY ATTEST  
LOUISIANA GAMING CONTROL BOARD  
HEARING OFFICE  
BATON ROUGE, LA 1/7/08  
  
BY: CLERK 909384v.1