



State of Louisiana

Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

IN RE: SHER GS INC. D/B/A STUDIO II LOUNGE NO. VP2600101688

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of January 17, 2006. The Hearing Officer's order dated December 6, 2005, based on the "Joint Motion for Entry of Stipulations and Approval of Proposed Settlement" in the matter of the "Notice of Recommendation of Administrative Action," No. VP2600101688, by and between SHER GS, Inc. d/b/a Studio II Lounge, 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 17th day of January, 2006.

LOUISIANA GAMING CONTROL BOARD

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

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 18th DAY
OF January, 2006

APPEAL DOCKET CLERK
[Signature]

RECEIVED

STATE OF LOUISIANA

DEC 06 2005

LOUISIANA GAMING CONTROL BOARD

LGCB
ADMINISTRATIVE HEARING OFFICE

**IN RE: SHER GS INC.
d/b/a STUDIO II LOUNGE**

NO. VP2600101688



**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"), and
2. SHER GS Inc. d/b/a Studio II Lounge, license No. 2600101688 (hereinafter "Licensee"), who respectfully represent the following:

WHEREAS:

1. The Licensee submitted documents to the Division that were improperly notarized. The Licensee admits to forwarding signed documents to the device owner, Master Video Poker, via an employee/representative of the device owner, for notarization. The Licensee admits that Gary J. Melancon did not sign the documents in the presence of a notary and the documents were not notarized in the affiant's presence.
2. The Licensee is barred by LAC 42:XI.2405(A)(15) from making or assisting in making false statements, including the submission of improperly notarized documents to the Division.
3. The Licensee submitted improperly notarized documents signed by Gary j. Melancon, President and 100 % shareholder of the Licensee, to the Division which included but was not limited to the following documents:

the Applicant's Request to Release Information Forms dated May 2, 1997, April 30, 1998, May 3, 1999, and April 5, 2000; the Registry Information/VERIFICATION Form dated June 12, 2002; the Annual Licensee Form dated April 15, 2002; the 2003/2004 License

TRUE COPY

/Representative

Louisiana Gaming Control Board

Renewal Signature Page and Renewal Affidavit/Certification dated
April 29, 2003.

4. The attached affidavit of Gary J. Melancon supports these stipulations and is incorporated into this agreement by reference.
5. This matter has been scheduled for hearing on December 6, 2005, 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 to settle this matter pursuant to the following terms and conditions:

1. The Licensee admits that it submitted improperly notarized documents to the Division in violation of LAC 42:XI.2405(A)(15);
2. Further, the Licensee agrees to pay a civil penalty of One Thousand Dollars (\$1000.00);
3. The Division hereby agrees to accept the payment of this civil penalty as full and final settlement of this matter;
4. The Division reserves the right to take into consideration these violations in connection with any future violation;
5. The form and substance of this settlement are to be interpreted under the laws of the State of Louisiana;
6. This settlement constitutes the entire agreement between the Division and SHER GS Inc. d/b/a Studio II Lounge pertaining to the subject matter contained herein, and supercedes all prior and contemporaneous agreements, representations, and understandings of the parties;
7. 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 remanded to the Hearing Officer for a full hearing. If approved, however, the Licensee must make payment of the civil penalty to the Division within fifteen (15) days of approval. Failure to do so shall result in the immediate suspension of the license until such time as the penalty is paid in full.

Respectfully submitted,

SHER GS INC.
d/b/a STUDIO II LOUNGE

BY:

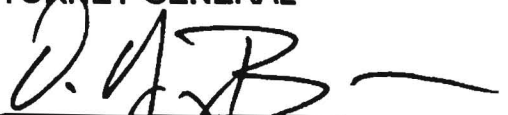


Gary J. Melancon, President
SHER GS Inc. d/b/a Studio II Lounge
4417 N. I-10 Service Road
Metairie, LA 70006
Telephone (504) 455-9053

Respectfully submitted,

CHARLES C. FOTI, JR.
ATTORNEY GENERAL

BY:



O. Young Bonner, #24969
Assistant Attorney General
1885 North 3rd Street
Baton Rouge, LA 70802
Telephone: (225) 326-6500
Facsimile: (225) 326-6599

STATE OF LOUISIANA

LOUISIANA GAMING CONTROL BOARD

IN RE: SHER GS Inc.
d/b/a STUDIO II LOUNGE

NO. VP2600101688

ORDER

Considering the foregoing Joint Motion for Entry of Stipulations and Approval of Proposed Settlement, IT IS HEREBY ORDERED that such proposed settlement be approved, to wit:

1. The admission of SHER GS Inc. d/b/a Studio II Lounge to the violation of LAC 42:XI.2405(A)(15) is accepted;
2. SHER GS Inc. d/b/a Studio II Lounge shall pay a civil penalty of One Thousand Dollars (\$1000.00);
3. SHER GS Inc. d/b/a Studio II Lounge shall make payment of the civil penalty to the Division within fifteen (15) days of approval. Failure to do so shall result in the immediate suspension of the license until such time as penalty is paid in full.

THUS DONE AND SIGNED this 6 day of December, 2005

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
THIS 6 DAY
December 10 2005
BY: [Signature]
CLERK, ADMINISTRATIVE HEARING OFFICE

cc: Gary Melancon
Yang Binner
Sgt. Roland Rodriguez

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 12/6/05

[Signature]
BY: CLERK

STATE OF LOUISIANA

PARISH OF T. Assaad

■■■■■■■■■■

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified within and for the state and Parish aforesaid, personally came and appeared:

GARY J. MELANCON

who, after first being duly sworn, declared and acknowledged to me, Notary, under oath:

that he is the President and 100% shareholder of SHER GS Inc. d/b/a Studio II Lounge, VGL # 2600101688;

that SHER GS Inc., previously entered into a video poker agreement with Master Video Poker ("MVP");

that MVP sent video gaming documents ("the Documents") to Affiant for execution, particularly the Applicant's Request to Release Information Forms dated May 2, 1997, April 30, 1998, May 3, 1999 and April 5, 2000; the Registry Information VERIFICATION Form dated June 12, 2002; the Annual Licensee Form dated April 15, 2002; the 2003/2004 License Renewal Signature Page and Renewal Affidavit/Certification dated April 15, 2002;

that pursuant to the instructions of MVP, Affiant executed the Documents which were then picked up by a representative of MVP;

that Affiant did not sign the Documents in the presence of a notary and the Documents were not notarized in Affiant's presence;

that Affiant does not know the name of the individual who purportedly notarized the documents;

that all of the statements, responses, disclosures and representations provided in the documents submitted to the Division bearing Affiant's signature, are true and correct to the best of Affiant's knowledge, information and belief, and represent a complete and accurate account of the requested information;

that Affiant executes this affidavit of his own free will and the above information is true and correct to the best of Affiant's knowledge and belief.

THUS DONE AND PASSED in Metairie, Louisiana, on this 29th day of November, 2005.


GARY J. MELANCON, Affiant


Notary

JAMES E. MATTINGLY, III
NOTARY PUBLIC
COMMISSIONED FOR LIFE
(Print name and Commission Number)
NOTARY # 038297