



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

IN RE: NRT TECHNOLOGY CORPORATION
NO. P066502488A

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of October 16, 2007. The Hearing Officer's order dated September 17, 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. P066502488A, by and between NRT Technology Corporation, 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 16th day of October, 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 17th DAY
OF October, 2007

APPEAL DOCKET CLERK



STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

IN RE: NRT TECHNOLOGY CORPORATION

CASE NO. P066502488A

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

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

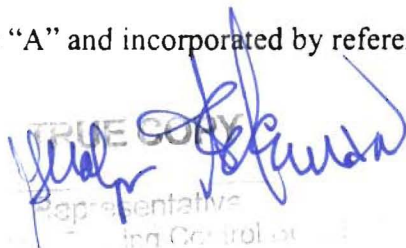
COME NOW the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and NRT Technology Corporation, Permit No. P066502488 (hereinafter "Permittee"), who file this Joint Motion for Approval of Compromise and Settlement Agreement, and in support 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
Representative
Louisiana Gaming Control Board

RECEIVED


SEP 13, 2007

LGCB
ADMINISTRATIVE HEARING OFFICE

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

Respectfully submitted,

MCGLINCHEY STAFFORD, PLLC

By: 

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*Authorized Representative for NRT
Technology Corporation*

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

By: 

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Police*

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

IN RE: NRT TECHNOLOGY CORPORATION

CASE NO. P066502488

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter the "Division") and NRT Technology Corporation, Permit No. P066502488 (hereinafter "Permittee" or "NRT"), do hereby represent and agree as follows:

WHEREAS, the Louisiana Gaming Control Board issued a Notice of Recommendation of Administrative Action dated June 22, 2007, alleging 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 17, 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:

STIPULATIONS

1. On or about February 15, 2007, the Division received a letter from NRT dated February 5, 2007, informing it that IBM would no longer provide hardware service for NRT's

QuickJack products being used in the gaming industry in Louisiana. In the letter, Ray Deffner, Executive Vice President of NRT, advised that NRT had made arrangements with Pendum, Inc. (hereinafter, "Pendum") to provide the service to all of NRT's gaming devices in Louisiana. Pendum does not hold a permit in the State of Louisiana, and the letter acknowledges that any suitability problems with Pendum would affect NRT's permitted status. Accordingly, NRT advised Pendum to seek a license in Louisiana.

2. On or about February 16, 2007, the Division sent a letter to NRT advising NRT of the requirement that a sub-contractor who is performing work in the gaming industry in Louisiana under the direction of NRT's permit must submit to a suitability investigation. NRT was also advised that the responsibility was still NRT's should Pendum fail to follow through and gave NRT fifteen (15) days from receipt in which to respond.

3. On or about February 20, 2007, NRT received the letter from the Division, which was delivered by DHL. As of May 16, 2007, the Division had not received the requested information from NRT or Pendum; however, Pendum continued to provide service to NRT's devices in Louisiana. Pendum's status with NRT was confirmed in an e-mail from Ray Deffner to an agent of the Division dated May 16, 2007, which stated in part, "[o]nce again, I apologize for Pendum's lack of action as our service provider." NRT has failed to respond in a timely manner to communications from the Division.

4. As of September 14, 2007, NRT severed ties with Pendum in Louisiana. On December 1, 2007, the service contract Pendum has with NRT in Louisiana will expire and it will not be renewed by NRT or Pendum to do business in Louisiana.

TERMS AND CONDITIONS

1. Within fifteen (15) days of the approval of this settlement by the Louisiana Gaming Control Board, Permittee shall pay Ten Thousand and No/100 (\$10,000.00) Dollars for the violation of LAC 42:VII.2901 (C)(1)(i), LAC 42:IX.2901 (C)(1)(i), LAC 42:XIII.2901 (C)(1)(i).
2. This Compromise and Settlement Agreement will be null and void if NRT renews the service contract with Pendum in Louisiana or NRT has any involvement with Pendum in Louisiana as long as Pendum is not an entity that holds a permit in the State of Louisiana.
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 Ten Thousand and No/100 (\$10,000.00) 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 paid in full, without the necessity of any further administrative action.

7. 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 Permittee's suitability.

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



Paul S. West, on behalf of NRT Technology Corporation



Gail C. Holland, 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: NRT TECHNOLOGY CORPORATION


CASE NO. P066502488A

ORDER

BE IT REMEMBERED that on the 17th day of September, 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 17 day of September, 2007, in Baton Rouge, Louisiana.



HEARING OFFICER

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 17th DAY
September 2007
Jill Domyer
CLERK, ADMINISTRATIVE HEARING OFFICE

cc: Paul West
Gail Hallford
G. Ireland Falcon

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 9/17/07
Jill Domyer
BY: CLERK