



State of Louisiana  
Gaming Control Board

BOBBY JINDAL  
GOVERNOR

H. CHARLES GAUDIN  
CHAIRMAN

IN RE: MASQUERADES INC. D/B/A  
MASQUERADES LOUNGE  
NO. 2600113256

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of April 21, 2008. The Hearing Officer's order dated March 19, 2008, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action," No. 2600113256, by and between Masquerades Inc. d/b/a Masquerades 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 21<sup>st</sup> day of April, 2008.

LOUISIANA GAMING CONTROL BOARD

BY: H. Charles Gaudin  
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 23 DAY  
OF April, 2008  
APPEAL DOCKET CLERK  
[Signature]

STATE OF LOUISIANA  
LOUISIANA GAMING CONTROL BOARD  
ADMINISTRATIVE HEARING OFFICE

**RECEIVED**

MAR 19 2008

LGCB  
ADMINISTRATIVE HEARING OFFICE

**IN RE: MASQUERADES, INC.  
D/B/A MASQUERADES LOUNGE**

**LICENSE NO. 2600113256**

**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 Masquerades, Inc. d/b/a Masquerades Lounge (hereinafter, "Licensee"), 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 Licensee 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  
*Robert Adams*

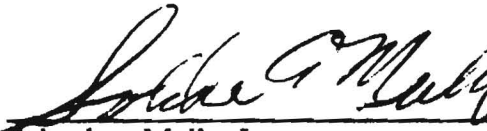
**WHEREFORE, PREMISES CONSIDERED,** the Division and Licensee respectfully request that this Honorable Administrative Hearing Officer approve the parties' Compromise and Settlement Agreement.

Respectfully submitted,

**Masquerades, Inc. d/b/a Masquerades Lounge**

**JAMES D. "BUDDY" CALDWELL  
ATTORNEY GENERAL**

By:



Salvadore Mulle, Jr.  
Authorized Representative of  
Masquerades, Inc d/b/a Masquerades  
3505 Division Street  
Metairie, Louisiana 70002

By:



Katie L. Dampier, Bar Roll #30465  
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*

STATE OF LOUISIANA  
LOUISIANA GAMING CONTROL BOARD  
ADMINISTRATIVE HEARING OFFICE

IN RE: MASQUERADES, INC.  
D/B/A MASQUERADES LOUNGE

LICENSE NO. 2600113256

**COMPROMISE AND SETTLEMENT AGREEMENT**

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and Masquerades, Inc. d/b/a/ Masquerades Lounge License No. 2600113256 (hereinafter, "Licensee"), do hereby represent and agree as follows:

**WHEREAS**, the Louisiana Gaming Control Board has issued a Notice of Recommendation of Administrative Action, 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 March 19, 2008, before the Louisiana Gaming Control Board Administrative Hearing Office; and

**WHEREAS**, the Division and Licensee 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 August 14, 2007, the Division issued, via U.S. mail, a certified thirty (30) day compliance letter in reference to a tax delinquency to the Licensee. A letter was mailed to the Licensee's business and residential address of record. The Licensee had thirty (30) days to contact an agent for the Internal Revenue Service to settle the delinquency.
2. The return receipt for the certified letter sent to the business address of the Licensee was signed for by Rita Frilot on 8/28/07 and the return receipt for the certified letter sent to the residential address of record was signed for by Pamela Elder on 9/4/07.
3. On November 19, 2007, the Division issued Notice of Availability of Compliance Conference to the Licensee.
4. On November 29, 2007, the IRS informed the Division that the Licensee had received a tax clearance.
5. On December 4, 2007, the Licensee and a representative from the Division attended the Compliance Conference.
6. On December 12, 2007, the Louisiana Gaming Control Board issued Notice of Recommendation of Administrative Action to the Licensee alleging certain violations of Louisiana Gaming Control Law.
7. The Licensee does admit it violated La. R.S. 27:308(B)(3), La R.S. 27:308.2, LAC 42:XI.2405(B)(1)(b), and LAC 42:XI.2417 (C)(1)(i).

## **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 Two Hundred Fifty Dollars (\$250.00) for the violation of LAC 42:XI.2405(B)(1)(b) and LAC 42:XI.2417(C)(1)(i).

2. The Division hereby agrees to accept the payment of Two Hundred Fifty Dollars (\$250.00) in full and final settlement of the Notice of Recommendation of Administrative Action

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 the Licensee's suitability.

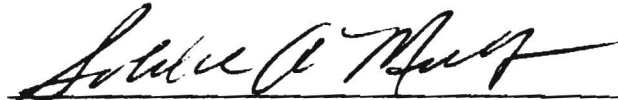
4. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.

5. This Compromise and Settlement Agreement constitutes the entire agreement between the Division and 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.

7. If approved by the Louisiana Gaming Control Board, the Licensee must pay Two Hundred Fifty Dollars (\$250.00) within fifteen (15) calendar days of such approval. Any failure to meet this requirement will result in immediate suspension of the gaming license without the necessity of any 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.



**Salvadore Mulle, Jr., a Duly Authorized  
Representative of Masquerades, Inc. d/b/a Masquerades Lounge**



**Katie L. Dampier, Bar Roll #30465  
AAG, on behalf of the State of Louisiana,  
Department of Public Safety & Corrections,  
Office of State Police**



STATE OF LOUISIANA  
LOUISIANA GAMING CONTROL BOARD  
ADMINISTRATIVE HEARING OFFICE

IN RE: MASQUERADES, INC.  
D/B/A MASQUERADES LOUNGE

LICENSE NO. 2600113256

ORDER

BE IT REMEMBERED that on the 19<sup>th</sup> day of March, 2008, came on for consideration the Joint Motion for Approval of Compromise and Settlement Agreement, 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**; that the Licensee must pay Two Hundred Fifty Dollars and No/100 (\$250.00) to the Division within fifteen (15) days of approval by the Louisiana Gaming Control Board. Failure to do so shall result in the immediate suspension of the gaming license without the necessity of any further administrative action until such time as the penalty is paid in full.

SIGNED AND ENTERED this 19 day of March, 2008, in Baton Rouge,

LOUISIANA GAMING CONTROL BOARD  
I HEREBY CERTIFY THAT A CERTIFIED  
COPY HAS BEEN MAILED OR SERVED ON  
ALL PARTIES 19th DAY  
March 2008  
SECRETARY, ADMINISTRATIVE HEARING OFFICE  
By: Salvatore Mulla, Jr.  
Katie Dampier  
Lt. James McCuane

[Signature]  
Richard Reynolds  
HEARING OFFICER

A TRUE COPY ATTEST  
LOUISIANA GAMING CONTROL BOARD  
HEARING OFFICE  
BATON ROUGE, LA 3/19/08  
[Signature]  
BY: CLERK