



State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

DALE A. HALL
CHAIRMAN

**IN RE: ST. CHARLES GAMING COMPANY, INC. D/B/A
ISLE OF CAPRI LAKE CHARLES
NO. R011700174**

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of March 21, 2013. The Hearing Officer's order dated March 6, 2013, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action" by and between St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles, Case No. R011700174, 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 22nd day of March, 2013.

LOUISIANA GAMING CONTROL BOARD

BY: _____

DALE A. HALL, CHAIRMAN

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 22nd DAY
OF March, 2013
APPEAL DOCKET CLERK
[Signature]

LGCB-2064-13-B

RECEIVED

By Geralyn Coleman at 2:16 pm, Mar 06, 2013

RECEIVED

FEB 25 2013

LCCB
ADMINISTRATIVE HEARING OFFICE

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

IN RE: ST. CHARLES GAMING COMPANY, INC.
D/B/A ISLE OF CAPRI LAKE CHARLES

CASE NO. R011700174

JOINT MOTION FOR APPROVAL OF COMPROMISE AND
SETTLEMENT AGREEMENT

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

COMES NOW the State of Louisiana, Department of Public Safety and Corrections, Office of State Police ("the Division") and St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles (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.

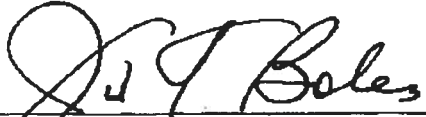


Louisiana Gaming Control Board

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

Respectfully Submitted,

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

By: 
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EXHIBIT "A"

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

**IN RE: ST. CHARLES GAMING COMPANY, INC.
D/B/A ISLE OF CAPRI LAKE CHARLES**

CASE NO. R011700174

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles (sometimes hereinafter referred to as "Licensee") do hereby represent and agree as follows:

WHEREAS, the Louisiana Gaming Control Board has sent a Notice of Recommendation of Administrative Action, SAR 11-1-39-236-5657, to St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles, which Notice contains allegations of certain violations of Louisiana Gaming Control Law; and

WHEREAS, the issues raised by said Notice of Recommendation of Administrative Action, SAR 11-1-39-236-5657, are set for hearing on March 6, 2013, 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 said Notice of Recommendation of Administrative Action, SAR 11-1-39-236-5657;

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

STIPULATIONS

1. On November 23, 2011, the general manager of the Licensee notified the Division that the Licensee had begun an investigation into the Licensee's credit extension practices. Thereafter, the Division commenced an investigation into the Licensee's credit extension practices.

2. The Division's investigation revealed that from July 2011 to November 2011, the Licensee extended credit to approximately thirty-eight (38) patrons prior to conducting credit-history checks on the patrons, in violation of LAC 42:XIII.2715(A)(3 and 7), LAC 42:XIII.2729(L)(1, 2, 3 and 4) and the Licensee's own Internal Control Art. V(B)(8)(a).

3. The Division's investigation also revealed that from July 2011 to November 2011, the Licensee extended credit to approximately twenty-four (24) patrons whose gaming and bank reports showed a history of non-sufficient funds checks, in violation of LAC 42:XIII.2715(A)(3) and (7), LAC 42:XIII.2729(L)(1, 2, 3 and 4) and the Licensee's own Internal Control Art. V(B)(8)(a).

4. In response to the results of the Division's investigation, the Licensee has developed and implemented a credit training program for all credit personnel, all player development personnel, cage management, table games management, slot management and internal audit personnel to ensure that such persons are familiar with the content of the Louisiana Gaming Control Laws and Regulations pertaining to credit issuance and the Licensees internal controls pertaining to credit issuance and credit operations. The Licensee has implemented training involving real life business examples to assist with improving the credit decision-making process. Additionally, the Licensee has highlighted its credit sequencing procedures during its training processes. Further, the Licensee has established a new credit line summary report, which allows the general manager, senior director of finance, senior director of casino operations and director of player development to quickly evaluate credit accounts that were requested and either approved or denied.

5. The Division has verified and confirmed that the Licensee has implemented the items detailed under Paragraph 4 above.

TERMS AND CONDITIONS

1. In lieu of Administrative Action, St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles will pay a civil penalty of Two Hundred Sixty-Two Thousand Five Hundred Dollars and No/100 (\$262,500.00) for its violations of LAC 42:XIII.2715(A)(3) and (7), LAC 42:XIII.2729(L)(1-4) and the Licensee's own Internal Control Art. V(B)(8)(a).

2. The Division hereby agrees to accept that the payment of a civil penalty of Two Hundred Sixty-Two Thousand Five Hundred Dollars and No/100 (\$262,500.00) shall be in full and final settlement of all matters set forth in the Notice of Recommendation of Administrative Action, SAR 11-1-39-236-5657.

3. The Division reserves the right to take into consideration these violations in connection with any future investigations, violations or assessments of a penalty.

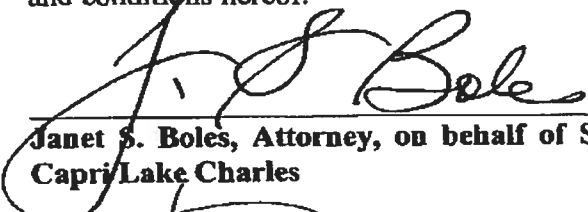
4. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.

5. This Compromise and Settlement Agreement constitutes the entire agreement between the Division and Licensee, regarding 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 the same or to remand the matter to the Hearing Officer for a full hearing on the merits.

7. If approved, St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles agrees to make full payment of the civil penalty to the Division within fifteen (15) days of approval of this settlement by the Louisiana Gaming Control Board. St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles agrees that failure to meet this requirement shall result in the immediate suspension of St. Charles Gaming Company, Inc. d/b/a Isle of Capri 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.



Janet S. Boles, Attorney, on behalf of St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles



**Michael L. Tyler, 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: ST. CHARLES GAMING COMPANY, INC.
D/B/A ISLE OF CAPRI LAKE CHARLES

CASE NO. R011700174

ORDER

BE IT REMEMBERED that on this the 6th day of MARCH ~~February~~, 2013, 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 said Motion, and it appearing to the Hearing Officer that the said Compromise and Settlement Agreement should be approved; it is, therefore,

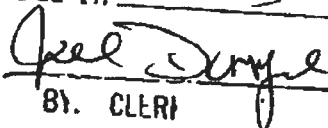
ORDERED, ADJUDGED, AND DECREED that the Compromise and Settlement Agreement attached to the parties' Joint Motion for Approval of Compromise and Settlement Agreement be, and the same is hereby, **APPROVED**; that Licensee must pay a civil penalty of Two Hundred Sixty-Two Thousand Five Hundred Dollars and No/100 (\$262,500.00) to the Division within fifteen (15) days of the approval by the Louisiana Gaming Control Board. Failure to do so shall result in the immediate suspension of the license of St. Charles Gaming Company, Inc. d/b/a Isle of Capri Lake Charles without the necessity of any further administrative action, until such time as the penalty is paid in full.

SIGNED AND ENTERED this 6th day of MARCH, 2013, in Baton Rouge,

Louisiana.


HEARING OFFICER

LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE LA 3-6-13


BY: CLERK

March 6th 2013
Paul Dwyer
cc: Janet S. Boles
Michael Tyler
Sgt. Lonell Sibley