



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

**IN RE: HARRAH'S STAR PARTNERSHIP
D/B/A HARRAH'S STAR
NO. CGD040594**

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of May 16, 2006. The Hearing Officer's order dated April 19, 2006, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Violation and Penalty and Written Warning," Violation No. CGD040594, by and between Harrah's Star Partnership d/b/a Harrah's Star, License No. R011000801, 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 16 day of May, 2006.

LOUISIANA GAMING CONTROL BOARD

BY:



H. CHARLES GAUDIN, CHAIRMAN

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

APPEAL DOCKET CLERK


RECEIVED

APR 19 2006

LGCB
ADMINISTRATIVE HEARING OFFICE

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

**IN RE: HARRAH'S STAR PARTNERSHIP d/b/a/
HARRAH'S STAR**

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

CGD040594

APR 19 2006

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

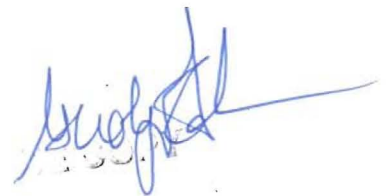
COME NOW State of Louisiana, Department of Public Safety and Corrections, Office of State Police ("the Division") and Harrah's Star Partnership d/b/a Harrah's Star (hereinafter "Harrah's"), who file this Joint Motion for Approval of Compromise and Settlement Agreement, and in support thereof would respectively show unto the Hearing Officer as follows:

1.

The Division and Harrah's 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.

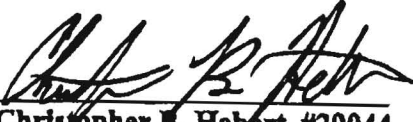


WHEREFORE, PREMISES CONSIDERED, The Division and Harrah's respectfully request that this Honorable Administrative Hearing Officer approve the parties' Compromise and Settlement Agreement.

Respectfully Submitted,

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

By: 
P. Kevin Colomb, General Counsel
Bar # 01778
Harrah's Louisiana Properties
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Counsel for Office of State Police

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

**IN RE: HARRAH'S STAR PARTNERSHIP d/b/a/
HARRAH'S STAR**

CGD040594

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and Harrah's Star Partnership d/b/a Harrah's Star (hereinafter "Harrah's") do hereby represent and agree as follows:

WHEREAS, the Division has issued a Notice of Violation and Penalty and Written Warning to Harrah's alleging certain violations of Louisiana Gaming Control Law; and

WHEREAS, the issues raised by the said Notice of Violation and Penalty and Written Warning are set for hearing on April 19, 2006, before the Louisiana Gaming Control Board Administrative Hearing Office; and

WHEREAS, the Division and Harrah's are desirous of fully and finally compromising and settling all issues and disputes arising out of and in connection with the said Notice of Violation and Penalty and Written Warning;

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

STIPULATIONS

1. On October 21, 2004, an agent for the Office of State Police through an online investigation discovered that Harrah's Star Partnership d/b/a Harrah's Star was offering a \$10,000 Guarantee Poker Tournament which advertised prizes for the top ten (10) places of the

tournament. Upon review, it was discovered that the tournament was approved by the Office of State Police with a prize structure that allowed the awarding of prizes to only the top five (5) places in the tournament, not for the top ten (10) places as advertised on Harrah's Star's website. Written conditions require Harrah's Star to seek the approval of the Office of State Police when changing the prize structure.

2. A review of the licensee's Gaming Revenue Summary ("GRS") Reports, along with the back-up documentation for the months of March 2004 through October 2004 was conducted. It was discovered that on several days during the review period, the licensee's back-up documentation failed to include the poker tournament log showing each patron's buy-in and entry fee into the tournament as required by the Office of State Police Audit Section Division Guidelines. The back-up documentation submitted by Harrah's Star revealed that re-buys had been collected during the tournament; however, re-buys were not noted on the original request for approval. Entry fees collected during the tournament were used to pay dealer tokens. The licensee's request did not disclose that entry fees would be used to pay dealer tokens.

3. On January 27, 2006, the Division issued a Notice of Violation and Penalty and Written Warning to Harrah's alleging certain violations of Louisiana Gaming Control Law.

4. Harrah's does admit it violated LAC 42:XIII.2715(G), LAC 42:XIII.2954(A), and LAC 42:XIII.2715(A)(4).

TERMS AND CONDITIONS

1. Harrah's will pay a civil penalty of THIRTY THOUSAND DOLLARS (\$ 30,000.00).

2. The Division hereby agrees to accept Harrah's payment of the above stated penalty in full and final settlement of the violations admitted to in CGD 040594.

3. The Division reserves the right to take into consideration these admitted violations in connection with any future investigation, violation or assessment of 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 Harrah's 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.

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



P. Kevin Colomb, General Counsel on behalf of
Harrah's Star



Christopher B. 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: HARRAH'S STAR PARTNERSHIP d/b/a/
HARRAH'S STAR

CGD040594

ORDER

BE IT REMEMBERED that on this the 19th day of April, 2006, 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.

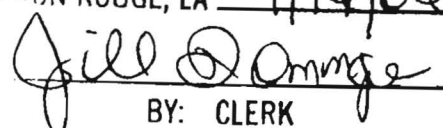
SIGNED AND ENTERED this 19th day of April, 2006, in Baton Rouge, Louisiana.

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 19 DAY
April 2006
BY: Bill D'Amico
CLERK, ADMINISTRATIVE HEARING OFFICE



WILLIAM H. BROWN
HEARING OFFICER

cc: P. Kevin Edambo
Christopher Hebert
Sgt. Lebond Falcon

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 4/19/06

BY: CLERK