



State of Louisiana

Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

H. CHARLES GAUDIN
CHAIRMAN

ANNE LACOUR NEEB
EXECUTIVE DIRECTOR

IN RE: DAIQUIRI BAY CAFÉ, INC. D/B/A DAIQUIRI BAY CAFÉ NO. VP2600207318A

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of April 18, 2005. The Hearing Officer's order dated April 4, 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," License No. VP2600207318A by and between Daiquiri Bay Café, Inc. d/b/a Daiquiri Bay Café 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 20 day of April, 2005.

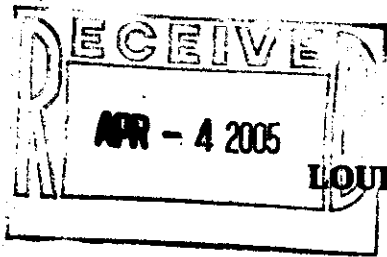
LOUISIANA GAMING CONTROL BOARD

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 21st DAY
OF April 2005

APPEAL DOCKET CLERK

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD

In the Matter of Daiquiri Bay Café, Inc.,
d/ b/ a Daiquiri Bay Café

LICENSE NO. 2600207318 A
INSPECTION NO. 011461

**JOINT MOTION FOR ENTRY OF STIPULATIONS AND
APPROVAL OF PROPOSED SETTLEMENT**

ON THE JOINT MOTION OF:

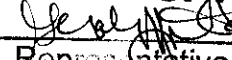
1. the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "Division"), and
2. Daiquiri Bay Café, Inc., d/ b/ a Daiquiri Bay Café, License No. 2600207318 A (hereinafter "licensee"),

who respectfully represent the following:

WHEREAS:

1. On July 10, 2003, an agent of the Division conducted an on-site inspection of the licensee to determine whether the licensee continues to meet the qualifications for a Type 2 (restaurant) video gaming license.
2. The requirements for a Type 2 (restaurant) video gaming license found at La. R.S. 27:301 B(12)(c) mandate that the licensee derive at least sixty percent of its monthly gross revenues from the sale of food, food items and non-alcoholic beverages.
3. The Audit Division of the Louisiana State Police determined that for the months January 2003 through March 2003 the licensee was out of compliance because it showed that 54% of sales were for the sale of food and non-alcoholic beverages and 46% of sales were for the sale of alcoholic beverages. The audit of the purchase invoices revealed that 39% of the establishment's purchases were for food and non-alcoholic beverages and 61% of sales were for the purchases of alcoholic beverages.
4. Pursuant to the agent's audit, the Division issued Violation/Inspection Report #011461 to the licensee on July 29, 2003, citing violation a of La. R.S. 27:301 B(12)(c). Attendant to this Violation/Inspection Report, the Louisiana Gaming Control Board issued a Notice of Recommendation of Administrative Action to the licensee on or about March 22, 2004.

TRUE COPY


Representative

Louisiana Gaming Control Board

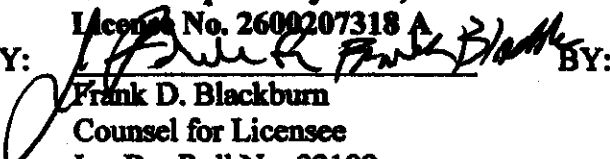
5. The matter was set for hearing originally on May 4, 2004 at 9:30 a.m. before the Honorable Joseph E. Anzalone, Jr.
6. At that time, the licensee requested additional time to produce records showing that the requirements for a Type 2 video poker license were being met; the matter was continued until the records were produced.
7. The auditor reviewed the submitted records and found that food and non-alcoholic beverage sales totals for the licensee for the periods of January 2003 through March 2003 were below sixty percent of licensee's total sales.
8. Pursuant to Act 867 of the 2004 Regular Session of the Louisiana Legislature, which became effective August 15, 2004, the sixty percent food sales requirement of La. R.S. 27:301(B)(12) was reduced to fifty percent.
9. The licensee, by way of an affidavit attached hereto and made a part hereof, hereby represents that it is now and has been for at least the three previous months, in compliance with the requirements for a Type 2 (restaurant) video gaming license.
10. This matter is currently set for hearing on February 15, 2005 10:00 a.m. before the Gaming Control Board.

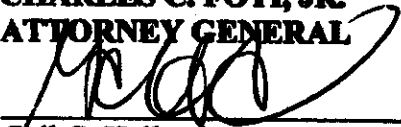
NOW THEREFORE, in consideration of the foregoing stipulations, the Division and the licensee hereby propose the following settlement, that:

1. The licensee acknowledges that for the time periods of January 2003 through March 2003 it failed to meet the requirements for a Type 2 (restaurant) video gaming license as found at La. R.S. 27:301 B(12)(c).
2. In lieu of further administrative action against the licensee's video gaming license, the licensee shall forfeit all gaming revenue for the time periods during which it failed to meet the requirements of La. R.S. 27:301B(12)(c).
3. The licensee shall pay as a civil penalty Thirty Two Thousand, Seven Hundred Forty-Two (\$32,747.72) Dollars and Seventy-Two Cents.
4. The Division hereby agrees to accept the licensee's payment of the above stated penalty in full and final settlement of Violation/Inspection Report No. 011463 and the Notice of Recommendation of Administrative Action.
5. The Division reserves the right to take into consideration this violation in connection with any future violation.

6. The form and substance of this settlement are to be interpreted under the laws of the State of Louisiana.
7. This settlement constitutes the entire agreement between the Division and Daiquiri Bay Café, Inc., d/ b/ a Daiquiri Bay Café, License No. 2600207318 A. pertaining to the subject matter contained herein, and supercedes all prior and contemporaneous agreements, representations, and understandings of the parties.
8. This settlement is subject to approval by the Louisiana Gaming Control Board; if approved, however, payment of the above penalties must be submitted to the Division within fifteen (15) days of approval of this settlement by the Board; the failure to submit the civil penalty within fifteen (15) days of approval by the Board shall result in the video gaming license of the licensee being suspended and its gaming devices being disabled until such time as the penalty is paid in full.
9. The Division and the licensee waive their rights to appeal this settlement if the Order is by the Board.

Respectfully submitted,

Daiquiri Bay Café, Inc.
d/b/a Daiquiri Bay Café,
License No. 2600207318 A
BY:  BY:
Frank D. Blackburn
Counsel for Licensee
La. Bar Roll No. 22189
5937 Jones Creek Road
Baton Rouge, Louisiana 70001
Telephone: (225)756-9696
Facsimile: (225)756-9750

CHARLES C. FOTI, JR.
ATTORNEY GENERAL

BY: _____ BY:
Gail C. Holland
Assistant Attorney General
La. Bar Roll No. 23783
1885 North Third Street, 5th Floor
Baton Rouge, Louisiana 70801
Telephone: (225) 326-6524
Facsimile: (225) 326-6599

STATE OF LOUISIANA

LOUISIANA GAMING CONTROL BOARD

In the Matter of Daiquiri Bay Café, Inc.,
d/ b/ a Daiquiri Bay Café

LICENSE NO. 2600207318 A
INSPECTION NO. 011461

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 licensee acknowledges that for the time periods of January 2003 through March 2003 it failed to meet the requirements for a Type 2 (restaurant) video gaming license as found at La. R.S. 27:301 B(12)(c).
2. The licensee shall forfeit all gaming revenue for the time periods during which it failed to meet the requirements of La. R.S. 27:301 B(12)(c) suitability requirements by paying a civil penalty of Thirty Two Thousand, Seven Hundred Forty-Two (\$32,747.72) Dollars and Seventy-Two Cents.
3. Payment of the above penalty shall be submitted to the state within fifteen (15) days of approval of this settlement by the Louisiana Gaming Control Board ("Board"); and
4. The failure to submit the above penalty within fifteen (15) days of approval of this settlement by the Board shall result in the video gaming license of the licensee being suspended and its gaming devices being disabled until such time as the penalty is paid in full.

THUS DONE AND SIGNED this 4 day of April, 2005 in
Baton Rouge, Louisiana.

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 4th DAY
OF April 2005
Gill Donnyue
CLERK ADMINISTRATIVE HEARING OFFICE
cc: Frank Blackburn
Gail Holland
St. Jules Rneid

H. Charles Gaudin
H. Charles Gaudin
Chairman
A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 4/4/05
Gill Donnyue
BY: CLERK

STATE OF LOUISIANA
PARISH OF ORLEANS

AFFIDAVIT

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified within and for the State and Parish aforesaid, PERSONALLY CAME AND APPEARED:

EDWARD L. PIGLIA

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

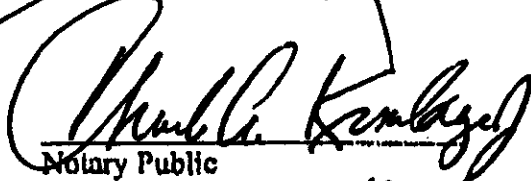
that affiant is an owner of Daiquiri Bay Café, Inc., d/ b/ a Daiquiri Bay Café, and thereby authorized to act on its behalf (License No. 2600207318 A);

that the licensee hereby represents that it currently meets the requirements of a Type 2 (restaurant) video gaming license; and has done so for at least the past three months.

that affiant signed the above-cited motion of his own volition, without duress or coercion.

THIS DONE AND PASSED in New Orleans, Louisiana, on this
27th day of JANUARY, 2005.


EDWARD L. PIGLIA, Affiant


Notary Public

My commission expires Open by State

Charles A. Kennerly, Jr.