



*State of Louisiana*  
*Gaming Control Board*

*BOBBY JINDAL*  
GOVERNOR

*DANE K. MORGAN*  
CHAIRMAN

**IN RE: U.S. FOODSERVICE, INC.**  
**NO. P086502300**


**ORDER**

This matter was considered by the Louisiana Gaming Control Board at its meeting of October 20, 2011. The Hearing Officer's order dated September 22, 2011, 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 U.S. Foodservice, Inc., No. P086502300, 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<sup>th</sup> day of October, 2011.**

**LOUISIANA GAMING CONTROL BOARD**

BY:

  
\_\_\_\_\_  
**DANE K. MORGAN, CHAIRMAN**

LGCB-0972-11-B

LOUISIANA GAMING CONTROL BOARD  
I HEREBY CERTIFY THAT A CERTIFIED  
COPY HAS BEEN MAILED OR SERVED ON  
ALL PARTIES THIS 21<sup>st</sup> DAY  
OF October, 2011  
APPEAL DOCKET CLERK  


4307 Bluebonnet Boulevard, Suite A, Baton Rouge, LA 70809  
Phone: (225) 295-8450 Fax: (225) 295-8479

**RECEIVED**

By Geralyn Coleman at 10:45 am, Sep 22, 2011

STATE OF LOUISIANA  
LOUISIANA GAMING CONTROL BOARD  
ADMINISTRATIVE HEARING OFFICE

**RECEIVED**

SEP 14 2011

LGCB  
ADMINISTRATIVE HEARING OFFICE

RE: U.S. FOODSERVICE, INC.

P086502300

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

**TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:**


NOW COME the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and U.S. Foodservice, Inc. (hereinafter, "U.S. Foodservice"), 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 U.S. Foodservice 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.

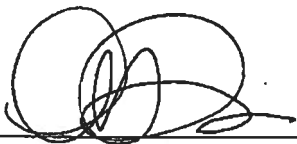
2.

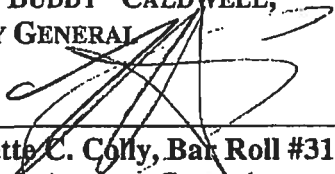
A true and correct copy of the proposed Compromise and Settlement Agreement is attached hereto as Exhibit "A" and incorporated by reference for all purposes.

**TRUE COPY**  
  
Representative  
Louisiana Gaming Control Board

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

Respectfully Submitted,

By:   
Allison U. Rovira, Bar Roll # 27634  
730 North Street  
Baton Rouge, LA 70802  
Telephone: (225) 381-0019  
Facsimile: (225) 381-0178  
*Counsel for U.S. Foodservice*

JAMES D. "BUDDY" CALDWELL,  
ATTORNEY GENERAL  
By:   
Nicolette C. Colly, Bar Roll #31527  
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**

**RE: U.S. FOODSERVICE**

**P086502300**

**COMPROMISE AND SETTLEMENT AGREEMENT**

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and U.S. Foodservice, Inc. (hereinafter, "U.S. Foodservice"), do hereby represent and agree as follows:

**WHEREAS**, the Louisiana Gaming Control Board has issued a Notice of Recommendation of Administrative Action on July 1, 2011 alleging certain violations of Louisiana Gaming Control Law; and

**WHEREAS**, the issues raised by said notice are set for hearing before the Louisiana Gaming Control Board Administrative Hearing Office on September 22, 2011; and

**WHEREAS**, the Division and U.S. Foodservice are desirous of fully and finally compromising and settling all issues and disputes arising out of and in connection with said notice;

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

**STIPULATIONS**

1. On February 19, 2010, Robert B. Aiken, Jr. resigned as Chief Executive Officer, President, Assistant Secretary, Assistant Treasurer, and Director of U.S. Foodservice.
2. On February 24, 2010, Allan D. Swanson was appointed as President of U.S. Foodservice until a successor is found.

3. The Division was not notified of the above actions until December 7, 2010, approximately nine months after the management changes in violation of Louisiana Gaming Laws which require that notification shall be made within 15 days of the action.

4. In November 2010, John A. Lederer was appointed as Chief Executive Officer, President, and Assistant Secretary of U.S. Foodservice. Allan D. Swanson was appointed as Treasurer. Juliette Pryor was reaffirmed as the Executive Vice President and Secretary. Gail E. Sharps Myers was reaffirmed as Assistant Secretary. As of August 29, 2011, the corporate directors of U.S. Foodservice are Juliette W. Pryor, Allan D. Swanson, and John A. Lederer. The Division was timely notified of this action.

#### TERMS AND CONDITIONS

1. In lieu of administrative action, U.S. Foodservice will pay a civil penalty of One Thousand and No/100 (\$1,000.00) Dollars, \$500 for each management change.

2. The Division hereby agrees to accept U.S. Foodservice's payment of the above stated penalty in full and final settlement of the Notice of Recommendation of Administrative Action.

3. The Division hereby agrees to dismiss the Notice of Recommendation of Administrative Action against U.S. Foodservice.

4. 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 U.S. Foodservice's suitability.

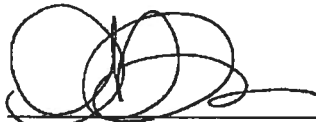
5. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.

6. This Compromise and Settlement Agreement constitutes the entire agreement between the Division and U.S. Foodservice, pertaining to the subject matter contained herein and

supersedes all prior and contemporaneous agreements, representations and understandings of the parties.

7. 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. Failure to pay the penalty within fifteen (15) days of approval of this settlement by the Louisiana Gaming Control Board, and to comply with each term and condition listed herein, shall result in the immediate suspension of U.S. Foodservice's permit without the necessity of further administrative action, until such time as the penalty is paid in full.

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



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**Allison U. Rovira, on behalf of U.S. Foodservice**



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**Nicolette E. Colly, 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

RE: U.S. FOODSERVICE

P086502300

ORDER

BE IT REMEMBERED that on the 22<sup>nd</sup> day of Sept, 2011, 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 Compromise and 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 Permittee must pay One Thousand and No/100 (\$1,000.00) Dollars 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 permit without the necessity of any further administrative action until such time as the penalty is paid in full.

SIGNED AND ENTERED this 22<sup>nd</sup> day of Sept, 2011, in Baton

LOUISIANA GAMING CONTROL BOARD  
Baton Rouge, Louisiana  
COPY HAS BEEN MAILED OR STORED ON  
ALL PARTIES THIS 22<sup>nd</sup> DAY  
OF Sept, 2011  
DOCKET CLERK, ADMINISTRATIVE HEARING OFFICE

Cc: Allison U. Royce  
Nicolette C. Cally  
Sgt. Harold Subley

[Signature]  
HEARING OFFICER  
A TRUE COPY ATTEST  
LOUISIANA GAMING CONTROL BOARD  
HEARING OFFICE  
BATON ROUGE, LA 9.22.11  
[Signature]  
BY: CLERK