



State of Louisiana

Gaming Control Board

M. J. "MIKE" FOSTER, JR.
GOVERNOR

HILLARY J. CRAIN
CHAIRMAN

IN RE: PAUL-SON GAMING SUPPLIES, INCORPORATED LICENSE NO. P066500388 NO. CGD020337

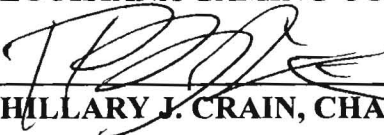
ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of June 16, 2003. The Hearing Officer's order dated May 28, 2003, based on the "Joint Motion for Entry of Stipulations and Approval of Proposed Settlement" in the matter of "Notice of Violation and Hearing," by and between Paul-Son Gaming Supplies Incorporated, License No. P066500388, No. CGD020337 and the State of Louisiana, Office of State Police, Casino Gaming Division, which is attached hereto and incorporated herein, is **APPROVED**.

THUS DONE AND SIGNED on this the 17th day of June, 2003.

LOUISIANA GAMING CONTROL BOARD

BY:


HILLARY J. CRAIN, CHAIRMAN

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 18th DAY
OF June 2003

APPEAL DOCKET CLERK


MAY 29 2003

RECEIVED

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

MAY 28 2003
LGCB
ADMINISTRATIVE HEARING OFFICE

IN RE: PAUL-SON GAMING
SUPPLIES INCORPORATED

CGD020337

JOINT MOTION FOR ENTRY OF STIPULATIONS AND APPROVAL OF
PROPOSED SETTLEMENT

On Joint Motion of:

- (i) the State of Louisiana, Office of State Police, Casino Gaming Division (“Division”), and
- (ii) Paul-Son Gaming Supplies Incorporated (“Paul-Son”),

who enter the following Stipulations into the record:

1.

In February of 2002, Paul-Son was a wholly-owned subsidiary of Paul-Son Gaming Corporation. On February 8, 2002, pursuant to a settlement agreement (“Settlement Agreement”) in the matter entitled Paul-Son Gaming Corporation, a Nevada corporation; The Paul S. Endy, Jr. Living Trust; Eric P. Endy et. al., 170,000 common shares of Paul-Son Gaming Corporation were transferred to Martin Winick and 80,000 shares were transferred directly to Mr. Winick’s law firm, Jones Vargas, and his former brother-in-law in satisfaction of debt owed by Mr. Winick as his designees. This represented approximately 7.2% of the outstanding shares of common stock in Paul-Son Gaming Corporation. All 250,000 shares referred to in this paragraph were transferred directly from The Paul S. Endy, Jr. Living Trust.

TRUE COPY
[Signature]
Representative
Louisiana Gaming Control Board

2.

Paul-Son did not notify the Division or obtain prior approval to the transfer of the 250,000 shares of Paul-Son Gaming Corporation stock.

3.

On March 11, 2002, Paul-Son sent a copy of the Settlement Agreement and related documents to the Division. The Division first became aware of the stock transfer upon its review of the Settlement Agreement.

4.

On May 13, 2002, the Division requested that Paul-Son submit a Level II Casino Gaming Permit Application Personal History and Financial for Martin Winick. Winick, through his attorney, has refused to file despite written requests from the Division.

5.

The Division learned that in 1999 the Alcohol and Gaming Commission of Ontario concluded that Mr. Winick did not meet the criteria for registration because there were reasonable grounds to believe he would not be financially responsible in the conduct of business.

6.

On May 7, 2003, Paul-Son Gaming Corporation informed Mr. Winick that, in accordance with Section 5.01 of the company's amended articles of incorporation, Paul-Son Gaming Corporation will not pay dividends on any shares of common stock owned of record or beneficially by Mr. Winick, he is not entitled to vote on any matter as the holder of any shares and his shares will not be included in the shares of the company entitled to vote and Paul-Son Gaming Corporation will not pay Mr. Winick any

remuneration in any form. Further, the company demanded that Mr. Winick relinquish his ownership of all shares of the company's common stock as soon as practicable.

NOW, THEREFORE, in consideration of the forgoing Stipulations, the Division and Paul-Son hereby propose the following settlement:

- (1) Paul-Son or Paul-Son Gaming Corporation shall not pay any dividend or interest on any shares of common stock owned of record or beneficially by Mr. Winick.
- (2) Mr. Winick or his nominee is not entitled to vote on any matter or exercise any right as the holder of any shares and his shares will not be included in the shares of the company entitled to vote.
- (3) Paul-Son or Paul-Son Gaming Corporation will not pay Mr. Winick any remuneration or economic benefit in any form other than, at its option, for the purchase of Mr. Winick's shares.
- (4) Mr. Winick shall not exercise significant influence over the activities of Paul-Son or Paul-Son Gaming Corporation.
- (5) In lieu of further administrative action, Paul-Son will pay a civil penalty of SEVENTY- FIVE THOUSAND DOLLARS (\$75,000.00).
- (6) The Division hereby agrees to accept Paul-Son's payment of the above stated penalty in full and final settlement of CGD020337.
- (7) The Division reserves the right to take into consideration the fact that these violations occurred in connection with any future violation.
- (8) This Stipulation and Settlement is to be interpreted under the laws of the State of Louisiana.

(9) This Stipulation and Settlement constitute the entire agreement between the Division and Paul-Son pertaining to the subject matter contained, herein, and supercedes all prior and contemporaneous agreements, representations, and understandings of the parties.

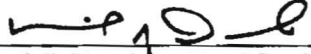
(10) This Stipulation and Settlement is subject to approval by the Hearing Officer of the Louisiana Gaming Control Board ("Board"). It is expressly understood that if these proposed Stipulations and Settlement are approved by the Hearing Officer, this agreement is not executory and will be submitted to the Board for its determination as to whether this Stipulation and Settlement should be approved ; if approved by the Board, payment of the above penalty must be submitted within fifteen (15) days of this approval to the Board .

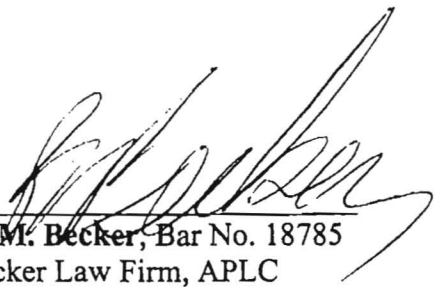
(11) Failure to submit the civil penalty within (15) days of approval by the Board or the violation of any material part of this Stipulation and Settlement shall result in the immediate suspension of Paul-Son's permit.

(12) The Division and Paul-Son waive their rights to appeal this Stipulation and Settlement if the Order is signed by the Hearing Officer and accepted by the Board.

RESPECTFULLY SUBMITTED:

RICHARD P. IEYOUB
ATTORNEY GENERAL

BY: 
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Counsel for the Division

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The Becker Law Firm, APLC
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Phone: (337) 430-0878
Facsimile: (337) 430-0402
**Counsel for Paul-Son Gaming
Supplies, Inc.**

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

**IN RE: PAUL-SON GAMING
SUPPLIES INCORPORATED**

CGD020337

ORDER

CONSIDERING the foregoing Joint Motion and Stipulations,

IT IS ORDERED, ADJUGED AND DECREED, that the foregoing Joint Motion and Stipulation of facts be accepted, approved and entered into the record of this proceeding;

IT IS FURTHER ORDERED, ADJUGED AND DECREED, that Paul-Son or Paul-Son Gaming Corporation shall not pay any dividend or interest on any shares of common stock owned of record or beneficially by Mr. Winick.

IT IS FURTHER ORDERED, ADJUGED AND DECREED, that Mr. Winick or his nominee is not entitled to vote on any matter or exercise any right as the holder of any shares and his shares will not be included in the shares of the company entitled to vote.

IT IS FURTHER ORDERED, ADJUGED AND DECREED, that Paul-Son or Paul-Son Gaming Corporation will not pay Mr. Winick any remuneration or economic benefit in any form other than for the purchase of his shares.

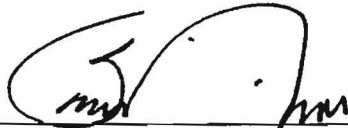
IT IS FURTHER ORDERED, ADJUGED AND DECREED, that Mr. Winick shall not exercise significant influence over the activities of Paul-Son or Paul-Son Gaming Corporation

IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that Paul-Son gaming Supplies Incorporated shall pay as a civil penalty to the State of Louisiana the sum of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00) within fifteen days of approval of this settlement by the Louisiana Gaming Control Board.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that payment of the civil penalty referred to herein constitutes a full and final settlement of this matter.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that failure to submit the civil penalty within (15) days of approval by the Board or the violation of any material part of the Joint Motion and Stipulation shall result in the immediate suspension of Paul-Son's permit.

Baton Rouge, Louisiana this 20 day of May, 2003.



JUDGE WILLIAM H. BROWN
HEARING OFFICER

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 28th DAY
OF May 2003
Alita Hays
DOCKET CLERK, ADMINISTRATIVE HEARING OFFICE

cc: Phillip Becker, Esq.
Mike Daniels, Esq.
Lt. George Dean

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 5/28/03

Alita Hays
BY: CLERK