

KATHLEEN BABINEAUX BLANCO GOVERNOR Gaming Control Board

H. CHARLES GAUDIN CHAIRMAN

IN RE: ATRONIC AMERICAS, L.L.C. NO. P056502151 & P076502152

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of March 20, 2007. The Hearing Officer's order dated February 7, 2007, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Administrative Action," No. P056502151 & P076502152, by and between Atronic Americas, L.L.C., 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 March, 2007.

LOUISIANA GAMING CONTROL BOARD

BY:

H. CHARLES GANDIN, CHAIRMAN

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STATE OF LOUISIANA
LOUISIANA GAMING CONFROL BOARD
ADMINISTRATIVE HEARING OFFICE

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MINISTRATIVE HEARING OFFICE

IN RE: ATRONIC AMERICAS, L.L.C.

P056502151 P076502152

JOINT MOTION FOR APPROVAL OF COMPROMISE AND SETTLEMENT AGREEMENT

TO THE HONORABLE ADMINISTRATIVE HEARING OFFICER:

COME NOW the State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and Atronic Americas, L.L.C., a Manufacturer of Slot Machines and Video Draw Poker Devices Permitee, No. P056502151 and a Gaming Supplier Permitee, No. P076502152, who file this, their 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 Atronic Americas, L.L.C. 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

Representative
Representative
Gaming Control Board

is attached hereto as Exhibit "A" and incorporated by reference for all purposes.

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

Respectfully Submitted,

CHARLES C. FOTI, JR. ATTORNEY GENERAL

Luke Orchard

Vice President Global Compliance Atronic Americas, L.L.C. 16537 North 92nd Street Scottsdale, Arizona 85260 Olga M. Bogran, #24302 Assistant Attorney General

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Police



STATE OF LOUISIANA LOUISIANA GAMING CONTROL BOARD ADMINISTRATIVE HEARING OFFICE

IN RE: ATRONIC AMERICAS, L.L.C.

P056502151 P076502152

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter "the Division") and Atronic Americas, L.L.C., a Manufacturer of Slot Machines and Video Draw Poker Devices Permitee, No. P056502151 and a Gaming Supplier Permitee, No. P076502152 do hereby represent and agree as follows:

WHEREAS, the Louisiana Gaming Control Board has issued a Notice of Recommendation of Administrative Action to Atronic Americas, L.L.C., which notice alleges certain violations of Louisiana Gaming Control Law; and

WHEREAS, the issues raised by the said Notice of Recommendation of Administrative Action are set for hearing on February 7, 2007, before the Louisiana Gaming Control Board Administrative Hearing Office; and

WHEREAS, the parties hereto are desirous of fully and finally compromising and settling all disputes and issues raised in connection with the said Notice of Recommendation of Administrative Action;

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

STIPULATIONS

- 1. On November 17, 2006, the Louisiana Gaming Control Board issued a Notice of Recommendation of Administrative Action to Atronic Americas, L.L.C., Permit Nos. P056502151 and P076502152, alleging certain violations of Louisiana Gaming Control Law.
- 2. Pursuant to La. R.S.27:28B(4), LAC 42: VII.2121A(8), LAC 42:VII. 2901B(2)(c), LAC 42:VII.2901B(4), LAC 42:VII.2901B(5)(C)(1)(i), LAC 42:IX.2107A (9), LAC 42:IX.2127B and D, LAC 42: IX.2151A, LAC 42: IX.2901B(2)(c)(4), LAC 42: IX.2901B(4), LAC 42: IX.2901B(5), LAC 42: IX.2901(C)(1)(i), LAC 42:XIII.2107A(4), LAC 42:XIII.2121A(8), LAC 42:XIII.2901B(2)(c), LAC 42:XIII.2901B(4), LAC 42:XII. 2901B(5)(C)(1)(i), Atronic Americas, L.L.C. is required to submit applications and information, as requested by the Division, within the prescribed time periods.
- 3. Atronic Americas, L.L.C. admits it did not timely disclose the 2004 promotion of Ken Bossingham from Director of Sales/Nevada to Vice President of Sales and Marketing, thereby violating the statute and the administrative rules cited in the Notice of Recommendation of Administrative Action.

TERMS AND CONDITIONS

1. The Division reserves the right to take into consideration this investigation in connection with any future investigation, violation or assessment of penalty.

- 2. Any and all information discovered throughout the course of this or any other investigation may be used in any future determination of the suitability of Atronic Americas, L.L.C.
- 3. Atronic Americas, L.L.C. agrees that any future promotions, elevations, changes in title or areas of responsibility and changes or modifications of organizational structure that include national personnel or regional personnel in a region that encompasses Louisiana will be reported to the Division within 10 days. If Louisiana requests additional documentation and/or additional applications the requested documentation will be submitted within the allotted period of time.
- 4. A subsequent failure to timely submit applications or respond to information requests from the Division, will result, at a minimum, in an enhanced civil penalty.
- 5. Atronic Americas, L.L.C. agrees to pay a civil penalty of Ten Thousand Dollars (\$10,000).
- 6. This Compromise and Settlement Agreement constitutes the entire agreement between the Division and Atronic Americas, L.L.C., 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.

- 8. If approved, Atronic Americas, L.L.C. must make payment of the civil penalty and delinquency fee to the Division within ten (10) days of approval by the Louisiana Gaming Control Board. Failure to do so shall result in the immediate suspension of the license without the necessity of any further administrative action until such time as the penalty is paid in full.
- 9. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.

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

Luke Orchard, Vice-President Global Compliance, Atronic Americas, L.L.C., Permit Nos. P056502151 and P076502152

Sworn to and subscribed before me, the undersigned notary, in the Parish of

Maricopa this 31stday of January A.D. 2007.

Jal Cahen Chusa Notary Commission expires 01/05/08

Notary Signature

Gail Cohen Avisar /236278

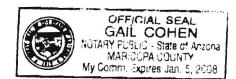
Notary Name and Number

Olga M. Bogran, 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: ATRONIC AMERICAS, L.L.C.

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ORDER

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 ______ day of _______, 2007, in Baton Rouge, Louisiana.

ACTION AND CONTROL BOARD

ATTIFY THAT A CERTIFIED

A SEEN MAILED OF SERVED ON

DOCKED CLERK, ADMINISTRATIVE HEARING OFFICE

cc. luke orchard

Sgr. Jeff watts

William H. Brown HEARING OFFICER

COPY ATTEST

THE CONTROL BOAR

BY: CLERK