

State of Louisiana Gaming Control Board

JOHN BEL EDWARDS GOVERNOR RONNIE JONES CHAIRMAN

IN RE: CHC PORT ALLEN, LLC D/B/A CRAZY HORSE CABARET NO. 6100114752

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of April 17, 2017. The Hearing Officer's order dated April 7, 2017, based on the "Joint Motion for Approval of Compromise and Settlement Agreement" in the matter of the "Notice of Recommendation of Revocation and Findings of Unsuitability", by and between CHC Port Allen, LLC d/b/a Crazy Horse Cabaret, No. 6100114752, 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 18th day of April, 2017.

LOUISIANA GAMING CONTROL BOARD

LOUISIANA GAMING CONTROL BOARD I HEREBY CERTIFY THAT A CERTIFIED

COPY HAS BEEN MAILED OR SERVED ON

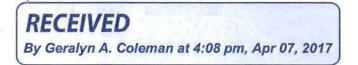
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RONNIE JONES, CHAIRMAN

LGCB-4225-17-C





APR 07 2017

STATE OF LOUISIANA LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING OFFICE

CHC PORT ALLEN, LLC D/B/A CRAZY HORSE CABARET CASE NO.: 6100114752

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 CHC Port Allen, LLC d/b/a Crazy Horse Cabaret (hereinafter, "Licensee"), 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 Licensee 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.

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

Respectfully Submitted,

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J. Kelly Duncan, Partner

Jones Walker, LLP

201 St. Charles Ave, Ste 5100

New Orleans, LA 70170

Counsel on behalf of

CHC Port Allen, LLC

d/b/a Crazy Horse Cabaret

JEFF LANDRY
ATTORNEY GENERAL

By:

Heather Hood, AAG

Assistant Attorney General 1885 North Third Street, 5th Floor

Baton Rouge, Louisiana 70802

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Counsel on behalf of Office of State Police

STATE OF LOUISIANA

LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING OFFICE

CHC PORT ALLEN, LLC D/B/A CRAZY HORSE CABARET CASE NO.: 6100114752

COMPROMISE AND SETTLEMENT AGREEMENT

The State of Louisiana, Department of Public Safety and Corrections, Office of State Police (hereinafter, the "Division") and CHC Port Allen, LLC d/b/a Crazy Horse Cabaret (hereinafter, "Licensee"), do hereby represent and agree as follows:

WHEREAS, the Louisiana Gaming Control Board has sent a Notice of Recommendation of Revocation and Findings of Unsuitability to Licensee, which Notice contains allegations of 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.

WHEREAS, the Division and Licensee 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. The Licensee is a Type 1 licensed establishment located at 2901 I-10 Frontage Road, Port Allen, Louisiana, 70767.

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- 2. On October 26, 2015, the Division received documents stating that Entertainment Acquisitions, LLC purchased 24.5% membership interest from Alan Kirkendoll on August 21, 2015. The Licensee failed to timely notify the Division of this transfer.
- 3. The Licensee submitted copies of minutes from its annual member meetings held from 2009-2014. There were several managerial changes reflected in the minutes that were not reported to the Division.
- 4. During 2009-2014, Casey Oubre, Charles Rolling, and Jason Dore held managerial positions. The Licensee did not notify the Division of the appointments and suitability documents were not timely submitted on the individuals.
- 5. Casey Oubre, Charles Rolling, and Jason Dore made false statements on their Personal History Questionnaires. None of these individuals are currently employed by or exercise any authority or control over the Licensee.
- 6. In 2015, Timothy Spratt was hired as a manager. The Division was not notified of his appointment and suitability documents were not timely submitted.

TERMS AND CONDITIONS

- 1. In lieu of revocation, Licensee will pay a penalty of TEN THOUSAND FIVE HUNDRED and NO/100 (\$10,500.00) DOLLARS for its violation of LAC 42:XI.2417(B)(4) and LAC 42:XI.2417(C)(1)(b)(c)(e) and (f).
- 2. The Division hereby agrees that payment of a total penalty of TEN THOUSAND FIVE HUNDRED and NO/100 (\$10,500.00) DOLLARS shall be in full and final settlement of all matters set forth in the Notice of Recommendation of Revocation and Findings of Unsuitability.

- 3. The Licensee and its owners, direct or indirect, shall not employ or contract with Casey Oubre, Charles Rolling, or Jason Dore for or with any of its businesses, enterprises or other endeavors that hold or apply for a Louisiana gaming license or permit, unless said individuals submit to suitability and are found suitable to participate in gaming.
- 4. The Licensee and its owners, direct or indirect, shall not allow Casey Oubre, Charles Rolling or Jason Dore to own, manage, control, or exercise any authority, directly or indirectly, over, for, or with any of its businesses, enterprises or other endeavors that hold or apply for a Louisiana gaming license or permit, unless said individuals submit to suitability and are found suitable to participate in gaming.
- 5. Notwithstanding Term and Condition # 4 above, the parties acknowledge that Charles Rolling is Chief Operating Officer of Kirkendoll Company, LLC (d/b/a Kirkendoll Management) and the Licensee asserts and agrees that Charles Rolling does not and will not have authority, control over, or management of any of its businesses, enterprises or other endeavors that hold or apply for a Louisiana gaming license or permit, unless said individual submits to suitability and is found suitable to participate in gaming.
- 6. The Division reserves the right to take into consideration this admitted violation in connection with any future investigation, violation or assessment of penalty and in connection with any future assessments of Licensee's suitability.
- 7. The terms of this Compromise and Settlement Agreement shall be interpreted under the laws of the State of Louisiana.
- 8. This Compromise and Settlement Agreement constitutes the entire agreement between the Division and Licensee, pertaining to the subject matter contained herein and

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

parties.

9. 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.

10. If approved, Licensee agrees to make full payment of the civil penalty within

fifteen (15) days of approval of this settlement by the Louisiana Gaming Control Board.

Licensee agrees that failure to meet this requirement shall result in immediate suspension of the

gaming license without the necessity of any further 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

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terms and conditions hereof.

J. Kelly Duncan, Partner

Jones Walker, LLP, on behalf of

CHC Port Allen, LLC

D/B/A Crazy Horse Cabaret

Heather Hood, AAG, on behalf of

State of Louisiana, Department of Public Safety &

Corrections, Office of State Police

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STATE OF LOUISIANA

LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING OFFICE

CHC PORT ALLEN, LLC D/B/A CRAZY HORSE CABARET CASE NO.: 6100114752

ORDER

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BE IT REMEMBERED that on the
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 or representing
themselves, 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 CHC Port Allen, LLC d/b/a Crazy

Horse Cabaret must pay TEN THOUSAND FIVE HUNDRED and NO/100 (\$10,500.00) 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 license without the necessity of any further administrative action until such time as the penalty is paid in full.

SIGNED AND ENTERED this 7th day of. April , 2017, in Baton

RICHARD LÆEYNOLDS

HEARING OFFICER

Rouge, Louisiana.

LOUISIANA GAMING CONTROL BOARD **HEARING OFFICE** I HEREBY CERTIFY THAT A CERTIFIED COPY HAS BEEN MAILED OR SERVED ON

ALL PARTIES THIS_

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DOCKET CLERK, ADMIN. HEARING OFFICE

A TRUE COPY ATTEST LOUISIANA GAMING CONTROL BOARD **HEARING OFFICE**

BATON ROUGE, LA_

DOCKET CLERK ADMINISTRATIVE HEARING OFFICE