



State of Louisiana
Gaming Control Board

KATHLEEN BABINEAUX BLANCO
GOVERNOR

HILLARY J. CRAIN
CHAIRMAN

**IN RE: MODERN GAMING, INC.
NO. CGD030332**

ORDER

This matter was considered by the Louisiana Gaming Control Board at its meeting of February 17, 2004. The Hearing Officer's order dated January 13, 2004, 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," Permit No. CGD030332, by and between Modern Gaming, Inc., and the Louisiana Department of Public Safety and Corrections, 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 February, 2004.

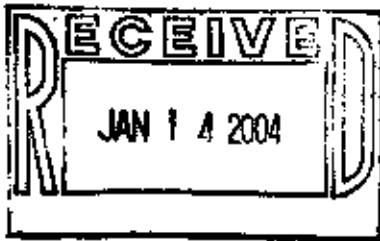
LOUISIANA GAMING CONTROL BOARD

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 February 2004

APPEAL DOCKET CLERK

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

RECEIVED

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LGCB
ADMINISTRATIVE HEARING OFFICE
CASE NO. CGD030332

IN RE: MODERN GAMING, INC.

JOINT MOTION FOR ENTRY OF STIPULATIONS AND
APPROVAL OF PROPOSED SETTLEMENT

ON THE JOINT MOTION OF:

1. The Louisiana Department of Public Safety and Corrections, Office of State Police, General Gaming Division, Gaming Suitability Unit (hereinafter, "Unit"), and
2. Modern Gaming, Inc., permit number PO71700449 (hereinafter, "permittee"),

who respectfully represent the following:

WHEREAS:

1. In April of 2003, an agent for the Video Gaming Division filed a complaint with the Unit alleging that the permittee was selling video draw poker equipment without a license;
2. The Unit then initiated an investigation that revealed the following:
 - a. on or about March 17, 2003, the permittee sold two Bill Validator Acceptors to Kings Truck Stop, a Type 5 video gaming licensee, for \$1,610.00;
 - b. on or about March 27, 2003, the permittee sold two video monitors to Fred's Amusement, a Type 6 video gaming licensee, for \$1,653.00;
 - c. on or about March 27, 2003, the permittee placed an order for 25 additional video monitors, totaling \$13,125.00, for future sale to Fred's Amusement¹;
 - d. although the permittee possessed a valid casino gaming permit at the time of these transactions, it was not licensed by the Video Gaming Division as a distributor of video draw poker devices and equipment;
3. Pursuant to this information, the Louisiana Gaming Control Board issued a Notice of Recommendation of Administrative Action to the permittee on October 30, 2003; and

¹ The permittee cancelled this order after receiving an Advisory Notice from the Video Gaming Division on April 16, 2003.

TRUE COPY

Representative
Louisiana Gaming Control Board

4. This matter has been scheduled for hearing on January 13, 2004, at 9:00 a.m. before the Honorable William H. Brown,

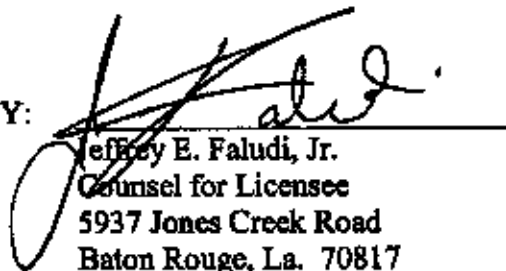
NOW THEREFORE, in consideration of the foregoing stipulations, the Unit and the permittee hereby propose the following settlement, that:

1. The permittee acknowledges that it was in violation of LAC 42:XIII.2901(A)(1), in that it sold video gaming device equipment without a valid Type 8 video gaming distributor's license;
2. In lieu of further administrative action, the permittee shall pay a civil penalty in the amount of **TWO THOUSAND-FIVE HUNDRED DOLLARS (\$2,500.00)**;
3. The Unit hereby agrees to accept the permittee's payment of the above stated penalty in full and final settlement of the Notice of Recommendation of Administrative Action;
4. The Unit reserves the right to take into consideration these violations in connection with any future violation;
5. The form and substance of this settlement are to be interpreted under the laws of the State of Louisiana;
6. This settlement constitutes the entire agreement between the Unit and Modern Gaming, Inc. pertaining to the subject matter contained therein, and supercedes all prior and contemporaneous agreements, representations, and understandings of the parties;
7. This settlement is subject to approval by the Hearing Officer of the Louisiana Gaming Control Board; it is expressly understood that if this proposed settlement is approved by the Hearing Officer, this agreement is not executory and will be submitted to the Board for its determination as to whether the matter should be heard by the Hearing Officer; 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 gaming supplier permit of the permittee being suspended; and
8. The Unit and the permittee waive their rights to appeal this settlement if the Order is signed by the Hearing Officer and accepted by the Board.

Respectfully submitted:

MODERN GAMING, INC.

BY:



Jeffrey E. Faludi, Jr.
Counsel for Licensee
5937 Jones Creek Road
Baton Rouge, La. 70817
Telephone: (225) 756-9696
Facsimile: (225) 756-9750

**CHARLES C. FOTI, JR.
ATTORNEY GENERAL**

BY:



Karen Day White
Assistant Attorney General
La. Bar Roll No. 25933
1885 N. Third Street, 5th Floor
Baton Rouge, La. 70802
Telephone: (225) 326-6523
Facsimile: (225) 326-6599

STATE OF LOUISIANA
LOUISIANA GAMING CONTROL BOARD
ADMINISTRATIVE HEARING OFFICE

IN RE: MODERN GAMING, INC.

CASE NO. CGD030332

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 permittee acknowledges that it was in violation of LAC 42:XIII.2901(A)(1), in that it sold video gaming device equipment without a valid Type 8 video gaming distributor's license;
2. in lieu of further administrative action, the permittee shall pay a civil penalty in the amount of **TWO THOUSAND-FIVE HUNDRED DOLLARS (\$2,500.00)**;
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; 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 gaming supplier permit of the permittee being suspended.

THUS DONE AND SIGNED this 13th day of January, 2004 in Baton Rouge, Louisiana.

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 13th DAY
OF January, 2004
Sharon Hajos
SOCKET CLERK, ADMINISTRATIVE HEARING OFFICE

cc: Jeffrey Tabuchi
Kathy White
H. Greg Dean



William H. Brown
Hearing Officer

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA January 13, 2004
Lorraine Hayes
BY: CLERK