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NGC 10-12

STATE OF NEVADA

BEFORE THE NEVADA GAMING COMMISSION

STATE GAMING CONTROL BOARD,)
Complainant,)
vs.)
WILD GAME NG, LLC., doing business as)
SIENA HOTEL SPA & CASINO,)
Respondent)

COMPLAINT

The State of Nevada, on relation of its State Gaming Control Board (BOARD), Complainant herein, by and through its counsel, CATHERINE CORTEZ MASTO, Attorney General, by JOHN S. MICHELA, Deputy Attorney General, hereby files this Complaint for disciplinary action against RESPONDENT pursuant to Nevada Revised Statute (NRS) 463.310(2) and 463.311(5) and alleges as follows:

1. Complainant, BOARD, is an administrative agency of the State of Nevada duly organized and existing under and by virtue of chapter 463 of NRS and is charged with the administration and enforcement of the gaming laws of this state as set forth in Title 41 of NRS and the Regulations of the Nevada Gaming Commission.

2. WILD GAME NG, LLC, (RESPONDENT) holds a nonrestricted gaming license and conducts gaming operations as a Group I licensee as the SIENA HOTEL SPA & CASINO located at 1 South Lake Street, Reno, Nevada.

3. Pursuant to NRS 463.311(5) this Complaint is filed within five (5) days of the issuance of an emergency order by the Nevada Gaming Commission concerning RESPONDENT.

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Office of the Attorney General
Gaming Division
5420 Kietzke Lane, Suite 202
Reno, Nevada 89511

RELEVANT LAW

4. The Nevada Legislature has declared under NRS 463.0129(1) that:

(a) The gaming industry is vitally important to the economy of the State and the general welfare of the inhabitants.

(b) The continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming and the manufacture, sale and distribution of gaming devices and associated equipment are conducted honestly and competitively, that establishments which hold restricted and nonrestricted licenses where gaming is conducted and where gambling devices are operated do not unduly impact the quality of life enjoyed by residents of the surrounding neighborhoods, that the rights of the creditors of licensees are protected and that gaming is free from criminal and corruptive elements.

(c) Public confidence and trust can only be maintained by strict regulation of all persons, locations, practices, associations and activities related to the operation of licensed gaming establishments, the manufacture, sale or distribution of gaming devices and associated equipment and the operation of inter-casino linked systems.

NRS 463.0129(1)(a), (b) and (c).

5. The Nevada Gaming Commission has full and absolute power and authority to limit, condition, restrict, revoke or suspend any license, or fine any person licensed, for any cause deemed reasonable. See NRS 463.1405(4).

6. The BOARD is authorized to observe the conduct of licensees in order to ensure that the gaming operations are not being conducted in an unsuitable manner. See NRS 463.1405(1).

7. This continuing obligation is repeated in Nevada Gaming Commission Regulation 5.040, which provides as follows:

A gaming license is a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. The burden of proving his qualifications to hold any license rests at all times on the licensee. The board is charged by law with the duty of observing the conduct of all licensees to the end that licenses shall not be held by unqualified or disqualified persons or unsuitable persons or persons whose operations are conducted in an unsuitable manner.

Nev. Gaming Comm'n Reg. 5.040.

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1 8. Nevada Gaming Commission Regulation 5.010 provides as follows:

2 1. It is the policy of the commission and the board to require that
3 all establishments wherein gaming is conducted in this state be
4 operated in a manner suitable to protect the public health, safety,
5 morals, good order and general welfare of the inhabitants of the State of
6 Nevada.

7 2. Responsibility for the employment and maintenance of suitable
8 methods of operation rests with the licensee, and willful or persistent
9 use or toleration of methods of operation deemed unsuitable will
10 constitute grounds for license revocation or other
11 disciplinary action.

12 Nev. Gaming Comm'n Reg. 5.010.

13 9. Nevada Gaming Commission Regulation 6.150 provides as follows:

14 1. The chairman may adopt or revise a bankroll formula
15 that specifies the minimum bankroll requirements applicable to
16 restricted gaming licensees, nonrestricted gaming licensees and
17 persons licensed as an operator of an inter-casino linked system or
18 as an operator of a slot machine route, along with instructions for
19 computing available bankroll.

20 2. At least 30 days before adopting or revising the bankroll
21 formula, the chairman shall:

22 (a) Publish notice of the proposed adoption or revisions,
23 together with the effective date thereof, once a day for seven (7)
24 consecutive days in a newspaper of daily general circulation, one
25 of which is published in Reno, Nevada, and the other published in
26 Las Vegas, Nevada;

27 (b) Mail a copy of the proposed bankroll formula or
28 revisions, together with the effective date thereof, to each
restricted gaming licensee, nonrestricted gaming licensee,
operator of an inter-casino linked system, operator of a slot
machine route, and every other person who has filed a request
therefore with the board or commission; and

(c) Provide a copy of the proposed bankroll formula or
revisions and their effective date to the commission.

3 3. Any affected licensee may object to the proposed
bankroll formula or revisions, by filing a request for a review of the
chairman's administrative decision, pursuant to Regulation 4.190.
If any licensee files a request for review, then the effective date of
the proposed bankroll formula or revisions will be stayed pending
action by the board, and if the board's decision is appealed
pursuant to Regulation 4.195, pending action by the commission. If
no requests for review are filed with the board, then the bankroll
formula or revisions shall become effective on the date set by the
chairman.

4 4. Any licensee may propose the repeal or revision of any
existing bankroll formula by submitting a request to the chairman,
who shall consider the request at his discretion. If such a request
is approved by the chairman, then the proposed repeal or revision
must be processed in accordance with subsections 2 and 3. If

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such a request is denied by the chairman, then the licensee may file the request for a review as an administrative approval decision with the board pursuant to Regulation 4.190, and the commission, pursuant to Regulation 4.195.

5. Each restricted gaming licensee, nonrestricted gaming licensee and each person licensed as an operator of an inter-casino linked system or as an operator of a slot machine route shall maintain in accordance with the bankroll formula adopted by the chairman pursuant to the requirements of this section, cash or cash equivalents in an amount sufficient to reasonably protect the licensee's or operator's patrons against defaults in gaming debts owed by the licensee or operator. If at any time the licensee's or operator's available cash or cash equivalents should be less than the amount required by this section, the licensee or operator shall immediately notify the board of this deficiency and shall also detail the means by which the licensee shall comply with the minimum bankroll requirements. Failure to maintain the minimum bankroll required by this section, or a higher bankroll as required by the chairman pursuant to this section, or failure to notify the board as required by this section, is an unsuitable method of operation.

6. Records reflecting accurate, monthly computations of bankroll requirements and actual bankroll available shall be maintained by nonrestricted gaming licensees, operators of intercasino linked systems and operators of slot machine routes in accordance with Regulation 6.060. The chairman, in his sole discretion, may require more frequent computations, require additional recordkeeping not specified in the formula, or require the licensee to maintain a bankroll higher than is or would otherwise be required by the bankroll formula, or require recordkeeping by restricted gaming licensees.

7. Neither this section nor a bankroll formula adopted pursuant to it alters, amends, supersedes or removes any condition of any licensee or approval imposed on any licensee by the commission.

8. The chairman, for good cause shown by the licensee, may waive one or more of the requirements or provisions of the minimum bankroll requirements.

9. The chairman is hereby granted the authority to revoke any waiver granted pursuant to this section for any cause deemed reasonable. Notice of the revocation of a waiver shall be deemed delivered and effective when personally served upon the licensee, or if personal service is impossible or impractical, when deposited, postage prepaid, in the United States mail, to the licensee at the address of the establishment as shown in the records of the commission. If a notice revoking or suspending the waiver of a bankroll requirement is issued, the affected licensee may request that the decision of the chairman be reviewed by the board and commission pursuant to NGC Regulation 4.185 through 4.195, inclusive.

Nev. Gaming Comm'n Reg. 6.150.

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10. Nevada Gaming Regulation 6.010 provides as follows:

As used in this regulation:

1. Unless otherwise specified, "chairman" means the chairman of the state gaming control board or his designee.
2. "Business year" means the annual period used by a licensee for internal accounting purposes.
3. "Electronic transfer" means the transmission of money as described in NRS 463.01473, or data via an electronic terminal, a telephone, a magnetic tape or a computer and a modem to the state gaming control board or the Nevada gaming commission.
4. "Fiscal year" means a period beginning on July 1st and ending June 30th of the following year.
5. "Group I licensee" defined.
 - (a) "Group I licensee" means either:
 - (1) A nonrestricted licensee having gross revenue of \$5,639,000 or more for the 12 months ended June 30th each year; or
 - (2) A nonrestricted licensee, whose operation consists primarily of a race book or sports pool or both, that accepts \$63,476,000 or more in wagers during the 12 months ended June 30th each year.
 - (b) Once a nonrestricted licensee qualifies as a "Group I licensee" pursuant to the definitions contained within this section, it shall remain a "Group I licensee" in subsequent years. This "Group I licensee" designation shall continue unless cancelled in writing by the chairman or his designee, even if the increase or decrease in the Consumer Price Index as provided for in section 7 would otherwise cause the licensee's designation to change to a "Group II licensee."

Nev. Gaming Comm'n Reg. 6.010.

11. Nevada Revised Statute 463.270 states, in relevant part, as follows:

5. Any person failing to pay any state license fees or taxes due at the times respectively provided shall pay in addition to such license fees or taxes a penalty of not less than \$50 or 25 percent of the amount due, whichever is the greater, but not more than \$1,000 if the fees or taxes are less than 10 days late and in no case in excess of \$5,000. The penalty must be collected as are other charges, license fees and penalties under this chapter.

NRS 463.270(5).

12. Nevada Revised Statute 463.370 states as follows:

1. Except as otherwise provided in NRS 463.373, the Commission shall charge and collect from each licensee a license fee based upon all the gross revenue of the licensee as follows:

1 (a) Three and one-half percent of all the gross revenue of the
licensee which does not exceed \$50,000 per calendar month;

2 (b) Four and one-half percent of all the gross revenue of the
3 licensee which exceeds \$50,000 per calendar month and does not
4 exceed \$134,000 per calendar month; and

5 (c) Six and three-quarters percent of all the gross revenue of
6 the licensee which exceeds \$134,000 per calendar month.

7 2. Unless the licensee has been operating for less than a full
8 calendar month, the Commission shall charge and collect the fee
9 prescribed in subsection 1, based upon the gross revenue for the
10 preceding calendar month, on or before the 24th day of the following
11 month. Except for the fee based on the first full month of operation,
12 the fee is an estimated payment of the license fee for the third month
13 following the month whose gross revenue is used as its basis.

14 3. When a licensee has been operating for less than a full
15 calendar month, the Commission shall charge and collect the fee
16 prescribed in subsection 1, based on the gross revenue received
17 during that month, on or before the 24th day of the following calendar
18 month of operation. After the first full calendar month of operation, the
19 Commission shall charge and collect the fee based on the gross
20 revenue received during that month, on or before the 24th day of the
21 following calendar month. The payment of the fee due for the first full
22 calendar month of operation must be accompanied by the payment of
23 a fee equal to three times the fee for the first full calendar month. This
24 additional amount is an estimated payment of the license fees for the
25 next 3 calendar months. Thereafter, each license fee must be paid in
26 the manner described in subsection 2. Any deposit held by the
27 Commission on July 1, 1969, must be treated as an advance
28 estimated payment.

4. All revenue received from any game or gaming device which
is operated on the premises of a licensee, regardless of whether any
portion of the revenue is shared with any other person, must be
attributed to the licensee for the purposes of this section and counted
as part of the gross revenue of the licensee. Any other person,
including, without limitation, an operator of an inter-casino linked
system, who is authorized to receive a share of the revenue from any
game, gaming device or inter-casino linked system that is operated on
the premises of a licensee is liable to the licensee for that person's
proportionate share of the license fees paid by the licensee pursuant
to this section and shall remit or credit the full proportionate share to
the licensee on or before the 24th day of each calendar month. The
proportionate share of an operator of an inter-casino linked system
must be based on all compensation and other consideration received
by the operator of the inter-casino linked system, including, without
limitation, amounts that accrue to the meter of the primary progressive
jackpot of the inter-casino linked system and amounts that fund the
reserves of such a jackpot, subject to all appropriate adjustments for
deductions, credits, offsets and exclusions that the licensee is entitled

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to take or receive pursuant to the provisions of this chapter. A licensee is not liable to any other person authorized to receive a share of the licensee's revenue from any game, gaming device or inter-casino linked system that is operated on the premises of the licensee for that person's proportionate share of the license fees to be remitted or credited to the licensee by that person pursuant to this section.

5. An operator of an inter-casino linked system shall not enter into any agreement or arrangement with a licensee that provides for the operator of the inter-casino linked system to be liable to the licensee for less than its full proportionate share of the license fees paid by the licensee pursuant to this section, whether accomplished through a rebate, refund, charge-back or otherwise.

6. Any person required to pay a fee pursuant to this section shall file with the Commission, on or before the 24th day of each calendar month, a report showing the amount of all gross revenue received during the preceding calendar month. Each report must be accompanied by:

(a) The fee due based on the revenue of the month covered by the report; and

(b) An adjustment for the difference between the estimated fee previously paid for the month covered by the report, if any, and the fee due for the actual gross revenue earned in that month. If the adjustment is less than zero, a credit must be applied to the estimated fee due with that report.

7. If the amount of license fees required to be reported and paid pursuant to this section is later determined to be greater or less than the amount actually reported and paid, the Commission shall:

(a) Charge and collect the additional license fees determined to be due, with interest thereon until paid; or

(b) Refund any overpayment to the person entitled thereto pursuant to this chapter, with interest thereon.

→ Interest pursuant to paragraph (a) must be computed at the rate prescribed in NRS 17.130 from the first day of the first month following the due date of the additional license fees until paid. Interest pursuant to paragraph (b) must be computed at one-half the rate prescribed in NRS 17.130 from the first day of the first month following the date of overpayment until paid.

8. Failure to pay the fees provided for in this section shall be deemed a surrender of the license at the expiration of the period for which the estimated payment of fees has been made, as established in subsection 2.

9. Except as otherwise provided in NRS 463.386, the amount of the fee prescribed in subsection 1 must not be prorated.

10. Except as otherwise provided in NRS 463.386, if a licensee ceases operation, the Commission shall:

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(a) Charge and collect the additional license fees determined to be due with interest computed pursuant to paragraph (a) of subsection 7; or

(b) Refund any overpayment to the licensee with interest computed pursuant to paragraph (b) of subsection 7, → based upon the gross revenue of the licensee during the last 3 months immediately preceding the cessation of operation, or portions of those last 3 months.

11. If in any month, the amount of gross revenue is less than zero, the licensee may offset the loss against gross revenue in succeeding months until the loss has been fully offset.

12. If in any month, the amount of the license fee due is less than zero, the licensee is entitled to receive a credit against any license fees due in succeeding months until the credit has been fully offset.

NRS 463.370.

13. Nevada Revised Statute 463.375 states as follows:

1. In addition to any other state gaming license fees provided for in this chapter, before issuing a state gaming license to an applicant for a nonrestricted operation, the Commission shall charge and collect from the applicant a license fee of \$80 for each slot machine for each calendar year.

2. The Commission shall charge and collect the fee prescribed in subsection 1, at the rate of \$20 for each slot machine for each calendar quarter:

(a) On or before the last day of the last month in a calendar quarter, for the ensuing calendar quarter, from a licensee whose operation is continuing.

(b) In advance from a licensee who begins operation or puts additional slot machines into play during a calendar quarter.

3. Except as provided in NRS 463.386, no proration of the quarterly amount prescribed in subsection 2 may be allowed for any reason.

4. The operator of the location where slot machines are situated shall pay the fee prescribed in subsection 1 upon the total number of slot machines situated in that location, whether the machines are owned by one or more licensee-owners.

5. Any other person, including, without limitation, an operator of an inter-casino linked system, who is authorized to receive a share of the revenue from any slot machine that is operated on the premises of a licensee is liable to the licensee for that person's proportionate share of the license fees paid by the licensee pursuant to this section and shall remit or credit the full proportionate share to the licensee on

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or before the dates set forth in subsection 2. A licensee is not liable to any other person authorized to receive a share of the licensee's revenue from any slot machine that is operated on the premises of a licensee for that person's proportionate share of the license fees to be remitted or credited to the licensee by that person pursuant to this section.

NRS 463.375.

14. Nevada Revised Statute 463.385 states, in relevant part, as follows:

1. In addition to any other license fees and taxes imposed by this chapter, there is hereby imposed upon each slot machine operated in this State an annual excise tax of \$250. If a slot machine is replaced by another, the replacement is not considered a different slot machine for the purpose of imposing this tax.

2. The Commission shall:

(a) Collect the tax annually on or before June 30, as a condition precedent to the issuance of a state gaming license to operate any slot machine for the ensuing fiscal year beginning July 1, from a licensee whose operation is continuing.

(b) Collect the tax in advance from a licensee who begins operation or puts additional slot machines into play during the fiscal year, prorated monthly after July 31.

(c) Include the proceeds of the tax in its reports of state gaming taxes collected.

NRS 463.385 (1) and (2).

15. Nevada Revised Statute 368A.200 states, in relevant part, as follows:

1. Except as otherwise provided in this section, there is hereby imposed an excise tax on admission to any facility in this State where live entertainment is provided. If the live entertainment is provided at a facility with a maximum occupancy of:

(a) Less than 7,500 persons, the rate of the tax is 10 percent of the admission charge to the facility plus 10 percent of any amounts paid for food, refreshments and merchandise purchased at the facility.

(b) At least 7,500 persons, the rate of the tax is 5 percent of the admission charge to the facility.

2. Amounts paid for:

a) Admission charges collected and retained by a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c), or by a nonprofit corporation organized or existing under the provisions of chapter 82 of NRS, are not taxable pursuant to this section.

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(b) Gratuities directly or indirectly remitted to persons employed at a facility where live entertainment is provided or for service charges, including those imposed in connection with the use of credit cards or debit cards, which are collected and retained by persons other than the taxpayer are not taxable pursuant to this section.

NRS 368A.200 (1) and (2).

16. Nevada Revised Statute 368A.220 states as follows:

1. Except as otherwise provided in this section:

(a) Each taxpayer who is a licensed gaming establishment shall file with the Board, on or before the 24th day of each month, a report showing the amount of all taxable receipts for the preceding month or the month in which the taxable events occurred. The report must be in a form prescribed by the Board.

(b) All other taxpayers shall file with the Department, on or before the last day of each month, a report showing the amount of all taxable receipts for the preceding month. The report must be in a form prescribed by the Department.

2. The Board or the Department, if it deems it necessary to ensure payment to or facilitate the collection by the State of the tax imposed by NRS 368A.200, may require reports to be filed not later than 10 days after the end of each calendar quarter.

3. Each report required to be filed by this section must be accompanied by the amount of the tax that is due for the period covered by the report.

4. The Board and the Department shall deposit all taxes, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.

NRS 368A.220.

17. Nevada Gaming Commission Regulation 5.011 states, in relevant part, as follows:

The board and the commission deem any activity on the part of any licensee, his agents or employees, that is inimical to the public health, safety, morals, good order and general welfare of the people of the State of Nevada, or that would reflect or tend to reflect discredit upon the State of Nevada or the gaming industry, to be an unsuitable method of operation and shall be grounds for disciplinary action by the board and the commission in accordance with the Nevada Gaming Control Act and the regulations of the board and the commission. Without limiting the generality of the foregoing, the following acts or omissions may be determined to be unsuitable methods of operation:

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8. Failure to comply with or make provision for compliance with all federal, state and local laws and regulations pertaining to the operations of a licensed establishment including, without limiting the generality of the foregoing, payment of all license fees, withholding any payroll taxes, liquor and entertainment taxes and antitrust and monopoly statutes.

Nev. Gaming Comm'n Reg. 5.011 (8).

18. Nevada Gaming Commission Regulation 6.090, in relevant part, provides as follows:

As used in this section, "licensee" means a Group I licensee and "chairman" means the chairman or other member of the state gaming control board.

1. Each licensee shall establish administrative and accounting procedures for the purpose of determining the licensee's liability for taxes and fees under chapters 463 and 464 of NRS and for the purpose of exercising effective control over the licensee's internal fiscal affairs. The procedures must be designed to reasonably ensure that:

- (a) Assets are safeguarded;
- (b) Financial records are accurate and reliable;
- (c) Transactions are performed only in accordance with management's general or specific authorization;
- (d) Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability for assets;
- (e) Access to assets is permitted only in accordance with management's specific authorization;
- (f) Recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and
- (g) Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel.

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3. The chairman shall adopt and publish minimum standards for internal control procedures that in the chairman's opinion satisfy subsection 1.

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8. The licensee may not implement a system of internal control procedures that does not satisfy the minimum standards unless the chairman, in his sole discretion, determines that the licensee's

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proposed system satisfies subsection 1, and approves the system in writing. Within 30 days after a licensee receives notice of the chairman's approval of procedures that satisfy the requirements of subsection 1, but that do not satisfy the minimum standards, the licensee shall comply with the approved procedures, amend its written system accordingly, and submit to the board a copy of the written system as amended and a written description of the variations signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner.

9. Each licensee shall require the independent accountant engaged by the licensee to examine the financial statements or to review the licensee's financial statements to submit to the licensee 2 copies of a written report of the compliance of the procedures and written system with the minimum internal control standards. Using the criteria established by the chairman, the independent accountant shall report each event and procedure discovered by or brought to the accountant's attention that the accountant believes does not satisfy the minimum standards or variations from the standards that have been approved by the chairman pursuant to subsection 8.

Not later than 150 days after the end of the licensee's business year, the licensee shall submit a copy of the accountant's report or any other correspondence directly relating to the licensee's systems of internal control to the board accompanied by the licensee's statement addressing each item of noncompliance noted by the accountant and describing the corrective measures taken. Unless the chairman approves otherwise in writing, in the event of a license termination, change in business entity, or a change in the percentage of ownership of more than 20 percent, the licensee or former licensee shall, not later than 150 days after the event, submit a copy of the accountant's report or any other correspondence directly relating to the licensee's systems of internal control to the board accompanied by the licensee's statement addressing each item of noncompliance noted by the accountant and describing the corrective measures taken covering the period since the period covered by the previous report. If a license termination, change in business entity, or a change in the percentage of ownership of more than 20 percent occurs within 150 days after the end of a business year for which a report has not been submitted, the licensee may submit a report covering both the business year and the final period of business.

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15. Using guidelines, checklists, and other criteria established by the chairman, the licensee's internal auditor shall perform observations, document examinations, and inquiries of employees to determine compliance with applicable statutes, regulations, and minimum internal control standards. Two copies of the internal

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auditor's report summarizing all instances of noncompliance and management responses must be submitted to the board within 120 days after the end of the first six months of the licensee's business year and must include all work required to be performed during that six-month period along with any additional procedures that were performed. Noncompliance noted in the second half of the business year must be submitted to the board within 120 days after the end of the business year unless the noncompliance is to be disclosed in the independent accountant's report submitted pursuant to Regulation 6.090(9).

Nev. Gaming Comm'n Reg. 6.090 (1), (3), (8), (9), and (15).

19. Minimum Internal Control Standards Slots (MICS Slots), Minimum Internal Control Standards Table Games (MICS Games), and Minimum Internal Control Standards Information Technology (MICS IT) apply to Group I licensees. Unless otherwise indicated, all citations to MICS Slots and MICS IT refer to Version 6. Version 6 of MICS Slots and MICS IT has an effective date of January 1, 2009. Version 5 (V5) of MICS Slots had effective dates of October 1, 2003, through December 31, 2008.

20. MICS Slots No. 45 (V5) states that "The dollar amount of wagering instruments removed from each drop box is recorded, by machine, in the cashless wagering system. The cashless wagering system will generate a slot count document indicating the wagering instruments counted by machine and in total."

21. MICS Slots No. 110 (V5) states that:

A report is produced at least monthly showing month-to-date, year-to-date, and if practicable, life-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage previously discussed.

Note 1: Actual hold = dollar amount of slot machine statistical win divided by dollar amount of coin-in. The wagering activity recorded on the coin-in meter of the slot machine includes all cashable and non-cashable credits wagered. The slot machine statistical win represents all drop and payout activity occurring through the slot machine regardless of whether the activity is subject to gross gaming revenue taxation. The drop and payout activity occurring through the slot machine includes the following:

a. The payout activity represents only slot machine payouts associated with the manufacturer's payable of the slot machine. Jackpot payouts (as defined by Regulation 1.140) and fills recorded in

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the slot analysis report do not include promotional payouts and/or bonus payouts that are not reflected on the payable of the slot machine and/or not included in the calculation of the slot machine's theoretical hold percentage.

b. The drop activity recorded in the slot analysis report includes all amounts placed into the coin or bill acceptor of the slot machine (e.g., free play wagering instruments accepted by the bill validator of the slot machine are included in the drop amount) or electronic money transfers made to the slot machine for wagering purposes.

As a result, the slot machine statistical win recorded in the slot analysis report may not equal the amount of win reported on the NGC tax returns.

Note 2: "Life-to-Date" represents at least a previous two-year cumulative basis.

22. MICS Slots No. 131 (V5) states in relevant part:

In addition to the slot machine performance reports under MICS #130, the following reports are produced and maintained for each drop (hard or soft) date, by machine and in total:

....

b. System wagering instruments accepted vs. wagering instruments counted in the count room (e.g., vouchers and coupons).

23. MICS Slots No. 132 (V5) states in relevant part:

Variances, by slot machine, noted in the reports required by MICS #130 and #131 that are in excess of the following parameters are reviewed by the accounting department:

a. Variances in excess of one percent or \$100, whichever amount is greater, for each drop type (coin, bills, vouchers and coupons).

....

24. MICS Slots No. 66 states in relevant part:

Manual and computerized payouts, including jackpots, fills, cancelled credits, short pays exceeding \$10 and promotional payouts exceeding \$100 that are deducted from gross gaming revenue, are controlled and completed in a manner that precludes any one individual from initiating and producing a fraudulent payout form, obtaining the funds, forging signatures on the payout form, routing all parts of the form, and misappropriating the funds.

....

1 25. MICS Games No. 72 states: "The accuracy of inventory forms prepared at shift end
2 is verified by either two pit supervisors or one pit supervisor and one supervisor from another
3 gaming department."

4 26. MICS Games No. 74 states:

5 For computerized systems, the individuals who perform the
6 table inventory count do not have system access to change or delete
7 table inventory amounts after the count's initial input. If it becomes
8 necessary to change the count figures after the end of shift,
9 accounting/audit personnel may change the inventory counts with the
10 approval of the pit supervisor.

11 27. MICS Games No. 76 states: "Procedures are implemented to ensure that
12 unauthorized access to empty table game drop boxes does not occur from the time the boxes
13 leave the storage racks until the boxes are placed on the tables."

14 28. MICS IT No. 10 states:

15 Management personnel, or persons independent of the
16 department being controlled, establish, or review and approve, user
17 accounts for new employees. Provisioning for user accounts consist
18 of assigning application functions matching the employee's current job
19 responsibilities, unless otherwise authorized by management
20 personnel, to ensure adequate separation of duties.

21 29. MICS IT No. 22 states:

22 Access to administer the network, operating system,
23 applications, and database security and system parameters is limited
24 to supervisory and/or management employees of the IT department or
25 IT employees under the supervision of supervisory and/or
26 management employees of the IT department. If there is no IT
27 department, supervisory or management personnel independent of
28 the department using such system and/or application may perform the
administrative procedures.

.....
29 30. Nevada Gaming Commission Regulation 6.060 provides as follows:

30 Each licensee shall provide the audit division, or the tax and
31 license division, upon request, with the records required to be
32 maintained by Regulation 6. Unless the chairman approves or
33 requires otherwise in writing, each licensee shall retain all such
34 records within Nevada for at least 5 years after they are made.

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Failure to keep and provide such records is an unsuitable method of operation.

Nev. Gaming Comm'n Reg. 6.060.

31. Nevada Gaming Commission Regulation 6.080 provides, in relevant part, as follows:

2. [Effective on 1/01/09] Each nonrestricted licensee having gross revenue of \$11,277,000 or more, or accepting \$83,775,000 or more in wagers if the operation consists primarily of a race book or sports pool or both, during the 12 months ended December 31st each year, and each operator, shall engage an independent accountant who shall audit the licensee's financial statements in accordance with generally accepted auditing standards.

.....

6. Each licensee shall submit to the board 2 copies of its audited or reviewed financial statements not later than 120 days after the last day of the licensee's business year. . . .

Nev. Gaming Comm'n Reg. 6.080 (2) and (6).

32. Nevada Revised Statute 463.335 provides, in relevant part, as follows:

1. The Legislature finds that, to protect and promote the health, safety, morals, good order and general welfare of the inhabitants of the State of Nevada and to carry out the policy declared in NRS 463.0129, it is necessary that the Board:

(a) Ascertain and keep itself informed of the identity, prior activities and present location of all gaming employees in the State of Nevada; and;

(b) Maintain confidential records of such information.

2. A person may not be employed as a gaming employee unless he is temporarily registered or registered as a gaming employee pursuant to this section. An applicant for registration or renewal of registration as a gaming employee must file an application for registration or renewal of registration with the Board. Whenever a registered gaming employee, whose registration has not expired, has not been objected to by the Board, or has not been suspended or revoked becomes employed as a gaming employee at another or additional gaming establishment, he must file a change of employment notice within 10 days with the Board. The application for registration and change of employment notice must be filed through the licensee for whom the applicant will commence or continue

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working as a gaming employee, unless otherwise filed with the Board as prescribed by regulation of the Commission.

....

NRS 463.335 (1) and (2).

33. Nevada Gaming Commission Regulation 5.030 provides as follows:

Violation of any provision of the Nevada Gaming Control Act or of these regulations by a licensee, his agent or employee shall be deemed contrary to the public health, safety, morals, good order and general welfare of the inhabitants of the State of Nevada and grounds for suspension or revocation of a license. Acceptance of a state gaming license or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by all of the regulations of the commission as the same now are or may hereafter be amended or promulgated. It is the responsibility of the licensee to keep himself informed of the content of all such regulations, and ignorance thereof will not excuse violations.

Nev. Gaming Comm'n Reg. 5.030 (emphasis added).

34. The minimum bankroll requirement as set forth within Nevada Gaming Commission Regulation 6.150 is determined pursuant to a bankroll formula established by the BOARD Chairman and approved by the Commission. A copy of the Bankroll Formula, as well as an Overview Explanation of the Bankroll Requirements, and the Bankroll Instructions are attached hereto as Exhibits A, B, and C, respectively, and made a part hereof as if fully set forth.

COUNT ONE

VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.150 AND THE BANKROLL FORMULA PROMULGATED THEREUNDER

35. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 34 above.

36. As a nonrestricted Group I gaming licensee, RESPONDENT is required to maintain a minimum bankroll pursuant to a bankroll formula adopted by the BOARD Chairman and approved by the Commission pursuant to Nevada Gaming Commission Regulation 6.150.

37. The bankroll formula provides that a nonrestricted gaming licensee's cash or cash equivalents must be "in an amount sufficient to reasonably protect the licensee's . . . patrons

1 against defaults in gaming debts owed by the licensee. . . .” Nev. Gaming Comm’n Regulation
2 6.150(5). Failure to maintain the minimum bankroll required by this section . . . is an
3 unsuitable method of operation.” *Id.*

4 38. On December 18, 2009, the BOARD’s Audit Division learned of RESPONDENT’s
5 failure to meet bankroll requirements. In response, the Audit Division requested, and
6 RESPONDENT provided, a report setting out RESPONDENT’s daily bankroll requirement and
7 the amount of excess or deficiency of cash or cash equivalents on hand, as well as for the
8 next business day, as prescribed by the bankroll formula to determine whether or not
9 RESPONDENT was able to meet its gaming and other obligations as they became due for the
10 period of November 30, 2009, through December 22, 2009. The Audit Division requested,
11 and RESPONDENT provided, daily reports of the above described nature starting December
12 23, 2009.

13 39. Starting November 30, 2009, through January 4, 2010, the bankroll submissions
14 submitted by RESPONDENT to the BOARD’s Audit Division did not meet the minimum
15 bankroll requirement, as set out in the bankroll formula, for thirty-three (33) of the thirty-six
16 (36) days in this period.

17 40. Starting April 26, 2010, through June 30, 2010, the bankroll submissions submitted
18 by RESPONDENT to the BOARD’s Audit Division did not meet the minimum bankroll
19 requirement, as set out in the bankroll formula, for thirty-nine (39) of the sixty-five (65) days in
20 this period.

21 41. The failure to maintain a minimum bankroll in an amount sufficient to reasonably
22 protect against defaults in gaming debts owed by the RESPONDENT is an unsuitable method
23 of operation and a violation of Nevada Gaming Commission Reg. 6.150 and the bankroll
24 formula. See Nev. Gaming Comm’n regulation 6.150(5). This constitutes an unsuitable
25 method of operation, and, as such, is grounds for disciplinary action. See Nev. Gaming
26 Comm’n Regs. 5.010(2), 5.011(8), 5.030 and 6.150(3).

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COUNT TWO

VIOLATION OF NEVADA REVISED STATUTE 463.370

42. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 41 above.

43. That based upon the requirements of NRS 463.370(2), RESPONDENT was required to pay fees using the base month of March 2010, on April 26, 2010 (April 24, 2010 fell on a Saturday). This would have been an estimated fee payment for the month of June, 2010 (which was the third month following March 2010 - the base month). These fees were not paid until on or about June 24, 2010, approximately two months after they were due pursuant to statute.

44. RESPONDENT's failure to pay its fees by the time required under statute is a violation of NRS 463.370. This constitutes an unsuitable method of operation, and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011(8), and 5.030.

COUNT THREE

VIOLATION OF NEVADA REVISED STATUTE 463.370

45. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 44 above.

46. Based upon the requirements of NRS 463.370(2), RESPONDENT was required to pay fees using the base month of April 2010, on May 24, 2010. This would have been an estimated fee payment for the month of July 2010 (which was the third month following April 2010 - the base month). As of July 2, 2010, RESPONDENT has not paid these fees.

47. Based on RESPONDENT's failure to pay the fees when due on May 24, 2010, RESPONDENT also owes a penalty pursuant to NRS 463.270. As of July 2, 2010, RESPONDENT has not paid the penalty.

48. RESPONDENT's failure to pay its fees by the time required under statute is a violation of NRS 463.370. This constitutes an unsuitable method of operation, and, as such,

1 is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011(8), and
2 5.030.

3 **COUNT FOUR**

4 **VIOLATION OF NEVADA REVISED STATUTE 463.370**

5 49. Complainant BOARD realleges and incorporates by reference as though set forth
6 in full herein paragraphs 1 through 48 above.

7 50. Based upon the requirements of NRS 463.370(2), RESPONDENT was required to
8 pay fees using the base month of May 2010, on June 24, 2010. This would have been an
9 estimated fee payment for the month of August 2010 (which was the third month following
10 April 2010 - the base month). As of July 2, 2010, RESPONDENT has not paid the e fees.

11 51. Based on RESPONDENT's failure to pay the fees when due on June 24, 2010,
12 RESPONDENT also owes a penalty pursuant to NRS 463.270. As of July 2, 2010,
13 RESPONDENT has not paid the penalty.

14 52. RESPONDENT's failure to pay its fees by the time required under statute is a
15 violation of NRS 463.370. This constitutes an unsuitable method of operation, and, as such,
16 is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011(8), and
17 5.030.

18 **COUNT FIVE**

19 **VIOLATION OF NEVADA REVISED STATUTE 463.375**

20 53. Complainant BOARD realleges and incorporates by reference as though set forth
21 in full herein paragraphs 1 through 52 above.

22 54. Based on the requirements of NRS 463.375, RESPONDENT was required to pay
23 its quarterly fee for nonrestricted operation on June 30, 2010. As of July 2, 2010,
24 RESPONDENT has not paid this fee.

25 55. Based on RESPONDENT's failure to pay the fees when due on June 30, 2010,
26 RESPONDENT also owes a penalty pursuant to NRS 463.270. As of July 2, 2010,
27 RESPONDENT has not paid the penalty.

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1 56. RESPONDENT's failure to pay its fees by the time required under statute is a
2 violation of NRS 463.375. This constitutes an unsuitable method of operation, and, as such,
3 is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011(8), and
4 5.030.

5 **COUNT SIX**

6 **VIOLATION OF NEVADA REVISED STATUTE 463.385**

7 57. Complainant BOARD realleges and incorporates by reference as though set forth
8 in full herein paragraphs 1 through 56 above.

9 58. Based on the requirements of NRS 463.385, RESPONDENT was required to pay
10 its yearly fee for nonrestricted operation on June 30, 2010. As of July 2, 2010,
11 RESPONDENT has not paid this fee.

12 59. Based on RESPONDENT's failure to pay the fees when due on June 30, 2010,
13 RESPONDENT also owes a penalty pursuant to NRS 463.270. As of July 2, 2010,
14 RESPONDENT has not paid the penalty

15 60. RESPONDENT's failure to pay its fees by the time required under statute is a
16 violation of NRS 463.385. This constitutes an unsuitable method of operation, and, as such,
17 is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011(8), and
18 5.030.

19 **COUNT SEVEN**

20 **VIOLATION OF NEVADA REVISED STATUTE 368A.220**

21 61. Complainant BOARD realleges and incorporates by reference as though set forth
22 in full herein paragraphs 1 through 60 above.

23 62. Based on the requirements of NRS 368A.220, RESPONDENT was required to pay
24 its Live Entertainment Taxes for the month of January on February 24, 2010. RESPONDENT
25 did not pay its January Live Entertainment Taxes until on or about March 4, 2010.

26 63. RESPONDENT's failure to pay its Live Entertainment Taxes by the time required
27 under statute is a violation of NRS 368A.220. This constitutes an unsuitable method of

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1 operation, and, as such, s grounds for disciplinary action. See Nev. Gaming Comm'n Regs.
2 5.010(2), 5.011(8), and 5.030.

3 **COUNT EIGHT**

4 **VIOLATION OF NEVADA REVISED STATUTE 368A.220**

5 64. Complainant BOARD realleges and incorporates by reference as though set forth
6 in full herein paragraphs 1 through 63 above.

7 65. Based on the requirements of NRS 368A.220, RESPONDENT was required to pay
8 its Live Entertainment Taxes for the month of May on June 24, 2010. As of July 2, 2010,
9 RESPONDENT has not these Live Entertainment Taxes.

10 66. RESPONDENT's failure to pay its Live Entertainment Taxes by the time required
11 under statute is a violation of NRS 368A.220. This constitutes an unsuitable method of
12 operation, and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs.
13 5.010(2), 5.011(8), and 5.030.

14 **COUNT NINE**

15 **VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090**

16 67. Complainant BOARD realleges and incorporates by reference as though set forth
17 in full herein paragraphs 1 through 66 above.

18 68. Review of Board files on July 2, 2010, disclosed that the written reports of the
19 compliance of the procedures and written system with the minimum internal control standards
20 for the year ended December 31, 2009, which were due on June 1, 2010, have not been
21 submitted to the Board.

22 69. RESPONDENT's failure to submit the written reports is a violation of Nevada
23 Gaming Commission Regulation 6.090. This constitutes an unsuitable method of operation,
24 and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 6.090 (9),
25 5.010(2), and 5.030.

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1 COUNT TEN

2 VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090

3 70. Complainant BOARD realleges and incorporates by reference as though set forth
4 in full herein paragraphs 1 through 69 above.

5 71. Review of Board files on July 2, 2010, disclosed that internal auditor's reports for
6 the second half of the year ended December 31, 2009, which were due on April 30, 2010,
7 have not been submitted to the Board.

8 72. RESPONDENT's failure to submit the written reports is a violation of Nevada
9 Gaming Commission Regulation 6.090. This constitutes an unsuitable method of operation,
10 and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 6.090 (15),
11 5.010(2), and 5.030.

12 COUNT ELEVEN

13 VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090

14 (MICS SLOTS (V5) NO. 45, 110, 131, and 132)

15 73. Complainant BOARD realleges and incorporates by reference as though set forth
16 in full herein paragraphs 1 through 72 above.

17 74. Review of slot statistical analysis reports disclosed that the reports for the period
18 May 1, 2007 through September 21, 2008 could not be relied upon due to the consistent
19 mistreatment of free play non-cashable wagering credits. For all but four months of this
20 period, free play non-cashable wagering credits were not included in the calculation of actual
21 hold percentages. For the months of January through April 2008, adjustments were made for
22 wagering credits but there is not sufficient documentation to substantiate the adjustments.
23 This constitutes a violation of MICS Slots (V5) numbers 45, 110, 131, and/or 132.

24 75. Review of slot statistical analysis reports disclosed that the reports for the period
25 May 1, 2007 through November 13, 2007 could not be relied upon due to the failure of the IGT
26 EZ-Pay ticketing system which could not include the drop associated with EZ-Pay tickets in
27 the slot statistical analysis report by machine. A report documenting EZ-Pay tickets accepted
28 vs. counted in the count room was not produced and maintained, and variances in excess of

1 one percent or \$100, whichever amount is greater, could not be reviewed by the accounting
2 department for this period. This constitutes a violation of MICS Slots (V5) numbers 45, 110,
3 131, and/or 132.

4 76. Material violations related to the slot statistical analysis reports have been routinely
5 noted since 2002.

6 77. RESPONDENT's failure to comply with MICS Slots (V5) No. 45, 110, 131, and 132
7 is a violation of Nevada Gaming Commission Regulation 6.090. This constitutes an
8 unsuitable method of operation, and, as such, is grounds for disciplinary action. See Nev.
9 Gaming Comm'n Regs. 6.090 (8), 5.010(2), and 5.030.

10 **COUNT TWELVE**

11 **VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090**

12 **(MICS SLOTS NO. 66)**

13 78. Complainant BOARD realleges and incorporates by reference as though set forth
14 in full herein paragraphs 1 through 76 above.

15 79. Observation of jackpot payout procedures and a system test on January 14, 2010
16 disclosed that a dual rate supervisor can complete an override jackpot payout less than
17 \$1,200 by himself, obtain funds, route both copies and misappropriate funds. This constitutes
18 a violation of MICS Slots number 66.

19 80. RESPONDENT's failure to comply with MICS Slots No. 66 is a violation of Nevada
20 Gaming Commission Regulation 6.090. This constitutes an unsuitable method of operation,
21 and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 6.090 (8),
22 5.010(2), and 5.030.

23 **COUNT THIRTEEN**

24 **VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090**

25 **(MICS GAMES NO. 72 and 74)**

26 81. Complainant BOARD realleges and incorporates by reference as though set forth
27 in full herein paragraphs 1 through 80 above.

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1 82. A review of surveillance tapes for January 9, 10, and 12 through 15, 2010 and
2 discussions with table games supervisors and management personnel on January 14 and 15,
3 2010 disclosed that the inventory forms attesting to the accuracy of the games inventory at the
4 end of the shift were completed and verified by one supervisor acting alone, using forms that
5 were pre-signed by a supervisor who was not present and who did not verify the inventory
6 count. The supervisor used these inventory forms to enter the inventory data into the
7 computerized system. This constitutes a violation of MICS Games numbers 72 and/or 74.

8 83. RESPONDENT's failure to comply with MICS Games No. 72 and 74 is a violation
9 of Nevada Gaming Commission Regulation 6.090. This constitutes an unsuitable method of
10 operation, and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs.
11 6.090 (8), 5.010(2), and 5.030.

12 **COUNT FOURTEEN**

13 **VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090**

14 **(MICS GAMES NO. 76)**

15 84. Complainant BOARD realleges and incorporates by reference as though set forth
16 in full herein paragraphs 1 through 83 above.

17 85. A review of the surveillance tape for January 13, 2010 disclosed that at 3:31 a.m.
18 the lead graveyard security officer inserted a document into the empty blackjack table #1 drop
19 box prior to it being placed on the table. This constitutes a violation of MICS Games number
20 76.

21 86. RESPONDENT's failure to comply with MICS Games No. 76 is a violation of
22 Nevada Gaming Commission Regulation 6.090. This constitutes an unsuitable method of
23 operation, and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs.
24 6.090 (8), 5.010(2), and 5.030.

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COUNT FIFTEEN

VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.090

(MICS IT NO. 10 and 22)

87. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 86 above.

88. Review of system reports and discussions with the director of IT on January 10, 2010 disclosed that during the period November 13, 2009 through January 6, 2010 James Sinclair and/or David Graham of OnSite Consulting had administrative privileges equal to the director of IT and as such could: add, change or delete both historical and current data to the Konami Casino Management System, Micros, MAS 90, Opera, and Ceridian. This constitutes a violation of MICS IT numbers 10 and/or 22.

89. Neither Mr. Sinclair nor Mr. Graham are employees of the Siena Hotel Spa & Casino, nor authorized vendors, nor are they registered with the Board. This constitutes a violation of MICS IT numbers 10 and/or 22.

90. RESPONDENT's failure to comply with MICS IT No. 10 and 22 is a violation of Nevada Gaming Commission Regulation 6.090. This constitutes an unsuitable method of operation, and, as such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 6.090 (8), 5.010(2), and 5.030.

COUNT SIXTEEN

VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.060

91. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 90 above.

92. Examination of accounting records and discussions with the controller and director of IT on December 15, 2009 disclosed that source documents supporting month-to-date free play non-cashable wagering credit adjustments to the slot analysis reports could not be provided for the period May 1, 2007 through September 21, 2008.

93. RESPONDENT's actions as set out above are a violation of Nevada Gaming Commission Regulation 6.060. This constitutes an unsuitable method of operation, and, as

1 such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 6.060, 5.010(2),
2 and 5.030.

3 **COUNT SEVENTEEN**

4 **VIOLATION OF NEVADA REVISED STATUTE 463.335**

5 94. Complainant BOARD realleges and incorporates by reference as though set forth
6 in full herein paragraphs 1 through 93 above.

7 95. Discussions with the controller on December 18, 2009, the cage and credit
8 manager, director of IT, slot analyst, lead slot technician and general manager on January 14,
9 2010 disclosed that on approximately November 13, 2009 Barney Ng, the sole member of the
10 Siena, hired OnSite Consulting. Mr. Ng granted James Sinclair, James Hustead and David
11 Graham of OnSite Consulting, full authority to exercise complete management imperative over
12 the property. None of these individuals from OnSite Consulting were properly registered with
13 the Board.

14 96. RESPONDENT's actions as set out above are a violation of NRS 463.335. These
15 actions constitute grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2)
16 and 5.030.

17 **COUNT EIGHTEEN**

18 **VIOLATION OF NEVADA GAMING COMMISSION REGULATION 6.080**

19 97. Complainant BOARD realleges and incorporates by reference as though set forth
20 in full herein paragraphs 1 through 96 above.

21 98. Review of Board files and discussions with the director of finance on May 10, 2010
22 disclosed that audited financial statements for the year ended December 31, 2009, which
23 were due on April 30, 2010, have not been submitted to the Board.

24 99. RESPONDENT's actions as set out above are a violation of Nevada Gaming
25 Commission Regulation 6.080. This constitutes an unsuitable method of operation, and, as
26 such, is grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), and
27 5.030.

28

Office of the Attorney General
Gaming Division
5420 Kietzke Lane, Suite 202
Reno, Nevada 89511

1 WHEREFORE, based upon the allegations contained herein which constitute
2 reasonable cause for disciplinary action against RESPONDENT, pursuant to NRS 463.310,
3 and Nevada Gaming Commission Regulations 5.010 and 5.030 the STATE GAMING
4 CONTROL BOARD prays for the relief as follows:

5 1. That the Nevada Gaming Commission serve a copy of this Complaint on the
6 RESPONDENT pursuant to NRS 463.312(2);

7 2. That the Nevada Gaming Commission fine RESPONDENT a monetary sum
8 pursuant to the parameters defined at NRS 463.310(4) for each separate violation of the
9 provisions of the Nevada Gaming Control Act or the Regulations of the Nevada Gaming
10 Commission;

11 3. That the Nevada Gaming Commission take action against RESPONDENT'S license
12 pursuant to the parameters defined in NRS 463.310(4); and

13 4. For such other and further relief as the Nevada Gaming Commission may deem just
14 and proper.

15 DATED this 6th day of July, 2010.

16 STATE GAMING CONTROL BOARD

17
18 _____
19 DENNIS K. NEILANDER, Chairman

20 _____
21 RANDALL E. SAYRE, Member

22 Submitted by:

22 _____
23 MARK A. LIPPARELLI, Member

23 CATHERINE CORTEZ MASTO
24 Attorney General

25 By: _____

25 John S. Michela
26 JOHN S. MICHELA
27 Deputy Attorney General
28 Gaming Division
 (775) 850-4154

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 8 pursuant to the parameters defined at NRS 463.310(4) for each separate violation of the
 9 provisions of the Nevada Gaming Control Act or the Regulations of the Nevada Gaming
 10 Commission;

11 3. That the Nevada Gaming Commission take action against RESPONDENT'S license
 12 pursuant to the parameters defined in NRS 463.310(4); and

13 4. For such other and further relief as the Nevada Gaming Commission may deem just
 14 and proper.

15 DATED this 6th day of July, 2010.

16 STATE GAMING CONTROL BOARD

17
 18 _____
 19 DENNIS K. NEILANDER, Chairman

20 _____
 21 RANDALL E. SAYRE, Member

22 _____
 23 MARKA. LIPPARELLI, Member

24 Submitted by:

25 CATHERINE CORTEZ MASTO
 26 Attorney General

27 By:

28 _____
 JOHN S. MICHELA
 Deputy Attorney General
 Gaming Division
 (775) 850-4154

Office of the Attorney General
 Gaming Division
 5420 Kietzke Lane, Suite 202
 Reno, Nevada 89511