NGC	11	-04
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## STATE OF NEVADA

## BEFORE THE NEVADA GAMING COMMISSION

STATE GAMING CONTROL BOARD,

Complainant,

VS.

LA CHOY ENTERPRISES, L.L.C., dba )
TEN 99 CLUB; BARBARA LYNN HOSSICK;)
FLOYD PAUL HOSSICK III,

Respondents

STIPULATION FOR SETTLEMENT AND ORDER

The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD), Complainant herein, filed and served a Complaint, NGC Case No. 11-04, against the above-captioned RESPONDENTS alleging certain violations of the Nevada Gaming Control Act and Regulations of the Nevada Gaming Commission.

IT IS HEREBY STIPULATED AND AGREED to by the BOARD and RESPONDENTS that the Complaint, NGC Case No. 11-04, filed against RESPONDENTS in the above-entitled case shall be settled on the following terms and conditions:

- 1. RESPONDENTS admit each and every allegation set forth in the Complaint, NGC Case No. 11-04.
- 2. RESPONDENTS fully understand and voluntarily waive the right to a public hearing on the charges and allegations set forth in the Complaint, the right to present and cross-examine witnesses, the right to a written decision on the merits of the Complaint, which must contain findings of fact and a determination of the issues presented, and the right to obtain judicial review of the Nevada Gaming Commission's decision.
- 3. BARBARA LYNN HOSSICK agrees to pay sixty percent (60%) of the incremental progressive amounts owed to the patrons of LA CHOY ENTERPRISES, L.L.C., dba TEN 99

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CLUB (TEN 99 CLUB) upon the closure of the TEN 99 CLUB in the amount of THREE THOUSAND TWO HUNDRED EIGHTY-TWO and 94/100s DOLLARS (\$3,282.94) to Winner's Gaming, Inc. Winner's Gaming, Inc. has agreed to pay the remaining forty percent (40%) of the incremental progressive amounts owed to the patrons of the TEN 99 CLUB in the amount of TWO THOUSAND ONE HUNDRED EIGHTY-EIGHT and 62/100s (\$2,188.62). Winner's Gaming, Inc. will apply the incremental progressive amounts to similar progressive machines it controls as set out in the acknowledgment attached hereto as Attachment #1. BARBARA LYNN HOSSICK may pay the full amount prior to January 25, 2012, or may make up to six payments as delineated below:

- a. BARBARA LYNN HOSSICK shall make an initial minimum payment of \$1,500.00 to be received by Winner's Gaming, Inc., on or prior to January 25, 2012.
- b. Payments two through five shall be at least \$360.00 each, unless the unpaid balance of the incremental progressive amounts is less than \$360.00, in which case the balance of the incremental progressive amounts shall be paid. These payments shall be received by Winner's Gaming, Inc. on or before on February 27, 2012; March 26, 2012; April 25, 2012; and May 25, 2012.
- c. Payment six shall be in the amount of \$342.94, unless the unpaid balance of the incremental progressive amounts is less than \$342.94, in which case the balance of the incremental progressive amounts shall be paid. This payment shall be received by Winner's Gaming, Inc. on or before June 25, 2012.
- d. All payments due under this payment schedule shall be made in person and by cashier's check or money order at Winner's Gaming, Inc., 845 Maestro Drive, Reno. Nevada, during the normal business hours of Winner's Gaming, Inc.
- 4. Until the incremental progressive amounts are paid by BARBARA LYNN HOSSICK, the BOARD shall maintain an administrative hold on the attempted surrender of the TEN 99 CLUB's restricted gaming license. RESPONDENTS agree that the Nevada Gaming Commission shall suspend the restricted gaming license of the TEN 99 CLUB's until BARBARA LYNN HOSSICK pays the incremental progressive amounts, as set out above.

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The BOARD Chairman, or designee, shall administratively lift the suspension upon confirmation of payment in full from Winner's Gaming, Inc. Upon payment in full and the lifting of the suspension, RESPONDENTS agree that the BOARD shall accept the previously tendered surrender of all licenses and approvals associated with the TEN 99 CLUB.

- 5. Pursuant to Nevada Gaming Commission Regulation 5.110, the BOARD Chairman approves that the incremental progressive amounts of the TEN 99 CLUB be distributed as set out in the acknowledgment attached hereto as Attachment #1.
- In consideration for the execution of this settlement agreement, RESPONDENTS, for themselves, their heirs, executors, administrators, successors, and assigns, hereby release and forever discharge the State of Nevada, the Nevada Gaming Commission, the Nevada Gaming Control Board, the Nevada Attorney General and each of their members, agents, and employees in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever known or unknown, in law and equity, that RESPONDENTS ever had, now have, may have, or claim to have against any and all of the persons or entities named in this paragraph arising out of, or by reason of, the investigation of the allegations in the Complaint and this disciplinary action, NGC Case No. 11-04, or any other matter relating thereto.
- 7. In consideration for the execution of this settlement agreement, RESPONDENTS hereby indemnify and hold harmless the State of Nevada, the Nevada Gaming Commission, the State Gaming Control Board, the Nevada Attorney General, and each of their members, agents, and employees in their individual and representative capacities against any and all claims, suits and actions, brought against the persons named in this paragraph by reason of the investigation of the allegations in the Complaint, filed in this disciplinary action, NGC Case No. 11-04, and all other matters relating thereto, and against any and all expenses, damages, charges and costs, including court costs and attorney fees, which may be sustained by the persons and entities named in this paragraph as a result of said claims, suits and actions.

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- 8. RESPONDENTS enter into this Stipulation for Settlement freely and voluntarily and acknowledge that RESPONDENTS had an opportunity to consult with counsel prior to entering into this Stipulation for Settlement. RESPONDENTS further acknowledge that this stipulated settlement is not the product of force, threats, or any other form of coercion or duress, but is the product of discussions between RESPONDENTS and the attorney for the BOARD.
- RESPONDENTS and the BOARD acknowledge that this settlement is made to avoid litigation and economize resources. The parties agree and understand that this Stipulation for Settlement is intended to operate as full and final settlement of the Complaint filed against RESPONDENT in the above-entitled disciplinary case, NGC Case No. 11-04.
- 10. RESPONDENTS and the BOARD recognize and agree that the Nevada Gaming Commission has the sole and absolute discretion to determine whether to accept this stipulated settlement agreement. RESPONDENTS and the BOARD hereby waive any right they may have to challenge the impartiality of the Nevada Gaming Commission to hear the above-entitled case on the matters embraced in the Complaint if the Nevada Gaming Commission determines not to accept this stipulated settlement agreement. If the Nevada Gaming Commission does not accept the Stipulation for Settlement, it shall be withdrawn as null and void and the RESPONDENTS' admissions, if any, that certain violations of the Nevada Gaming Control Act and the Regulations of the Nevada Gaming Commission occurred shall be withdrawn.
- 11. RESPONDENTS and the BOARD agree and understand that this settlement agreement is intended to operate as full and final settlement of the Complaint filed in NGC Case No. 11-04. The parties further agree and understand that any oral representations are superseded by this settlement agreement and that only those terms memorialized in writing herein shall be effective.
- 12. RESPONDENTS agree and understand that although this settlement, if approved by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 11-04, that the allegations contained in the Complaint file in NGC Case No. 11-04 and the terms of

this settlement agreement may be considered by the BOARD and/or the Nevada Gaming Commission, with regards to any and all applications by RESPONDENTS that are currently pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future with the BOARD.

13. RESPONDENT and the BOARD shall each bear their own costs incurred in this disciplinary action, NGC Case No. 11-04.

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1	14. Except as otherwise specified above, this stipulated settlement agreement shall		
2	become effective immediately upon approval by the Nevada Gaming Commission.		
3	DATED this 19 day of January, 2012.		
4	LA CHOY ENTERPRISES, L.L.C., STATE GAMING CONTROL BOARD		
5	dba TEN 99 CLUB		
6	MARKA. LIPPARELLI, Chairman		
7	BARBARA LYNN HOSSICK, Individually and as Manager		
8	LA CHOY ENTERPRISES, L.L.C.,  A.G. BURNETT, Member		
9	Jan Ph-1		
10	SHAWN R. REID, Member		
11	Individually and as Manager		
12			
13	Submitted by:		
14	CATHERINE CORTEZ MASTO Attorney General		
15	11 211		
16	By: JOHN S. MICHELA		
17	Senior Deputy Attorney General Gaming Division		
18	Attorneys for State Gaming Control Board		
19			
20	ORDER		
21	IT IS SO ORDERED in NGC Case No. 11-04.		
22	DATED this 22 day of March , 2012.		
23	NEVADA GAMING COMMISSION		
24	THE COMMISSION		
25	DETER C. DERNIHARD, Chairman		
26	PETER C. BERNHARD, Chairman		
27			
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Office of the Attorney General Gaming Division 5420 Kietzke Lane, Sutte 202 Reno. Nevada 89511

Winner's Gaming, Inc. Acknowlegement
And Agreement Concerning
Incremental Progressive Amounts

~Attachment 1~

NGC 11-04

 STATE OF NEVADA

## BEFORE THE NEVADA GAMING COMMISSION

STATE GAMING CONTROL BOARD,

Complainant.

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LA CHOY ENTERPRISES, L.L.C., dba )
TEN 99 CLUB; BARBARA LYNN HOSSICK;)
FLOYD PAUL HOSSICK III,

WINNER'S GAMING, INC.

ACKNOWLEDGMENT AND

AGREEMENT CONCERNING

INCREMENTAL PROGRESSIVE AMOUNTS

Respondents

In consideration of resolving an issue concerning incremental progressive amounts at LA CHOY ENTERPRISES, L.L.C., dba TEN 99 CLUB (TEN 99 CLUB), a restricted gaming licensee with which Winner's Gaming, Inc. (WGI) had a participation agreement, WGI acknowledges and agrees as follows:

- 1. That the total incremental progressive amount owed by TEN 99 CLUB to its patrons is \$5.471.56.
- 2. That WGI shall be responsible for forty percent (40%) of the total incremental progressive amount owed by TEN 99 CLUB to its patrons. Forty percent (40%) of the total is \$2,188.62 (the "Winner's Share").
- 3. That WGI shall distribute the Winner's Share to progressive payoff schedule(s) on machine(s) exposed for play by WGI similar to those from which the total incremental progressive amount owed by TEN 99 CLUB was derived. This distribution shall comply with Nevada Gaming Commission Regulation 5.110(5)(c) (1) through (3) and occur no later than December 31, 2011.
- 4. That WGI shall accept payments from BARBARA LYNN HOSSICK, member/manager of TEN 99 CLUB, on the remaining sixty percent (60%) of the total

incremental progressive amount owed by TEN 99 CLUB to its patrons. Sixty percent (60%) of the total is \$3,282.94 (the "Ten 99 Share"). WGI shall accept the payments of the Ten 99 Share in person and by cashier's check or money order at its physical location, 845 Maestro Drive, Reno, Nevada, during normal business hours.

- 5. That WGI shall distribute the payments received on the Ten 99 Share to progressive payoff schedule(s) on machine(s) exposed for play by WGI in Washoe County. WGI shall distribute the Ten 99 Share in amounts equal to the payments it receives. These distributions shall comply with Nevada Gaming Commission Regulation 5.110(5)(c) (1) through (3) and occur no later than 15 days after each payment is received.
- 6. That WGI shall report to the Audit Division of the BOARD the details of each distribution of the incremental progressive amount.
- 7. That, notwithstanding the foregoing, WGI shall have no duty or obligation to pursue collection of the Ten 99 Share if it, or any part of it, is not paid to WGI by BARBARA LYNN HOSSICK, or by her agents or representatives, or to distribute such sum or sums to any other progressive payoff schedule(s) on similar game(s) or machine(s) which it operates if such sum or sums are not paid to it by BARBARA LYNN HOSSICK.

DATED this 27th day of Deember, 2011.

By:

ROBERT GENE KING

President

State of / Wada

This instrument was acknowledged before me

on <u>December 27, 2011</u>

Sarah J. Smithson

**Notary Public** 



SARAH JO SMITHSON Notary Public - State of Nevada Appointment Recorded in Washoe County No: 94-0238-2 - Expires August 2, 2014