SEP 17 2015

NEVADA GAMING COMMISSION CARSON CITY, NEVADA

NGC 14-17

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STATE OF NEVADA

BEFORE THE NEVADA GAMING COMMISSION

NEVADA GAMING CONTROL BOARD.

Complainant,

VS.

HAROLD DOUGLAS HOLDER; THE HOLDER GROUP, LLC; THE HOLDER GROUP SHARKEY'S, LLC, dba SHARKEY'S NUGGET; THE HOLDER GROUP SUNDANCE, LLC, dba SUNDANCE CASINO,

Respondents.

STIPULATION FOR SETTLEMENT AND ORDER

The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD (BOARD), Complainant herein, filed and served a Complaint, NGC Case No. 14-17, 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. 14-17, 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. 14-17.
- 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. SHARKEY'S NUGGET, previously operated by THE HOLDER GROUP SHARKEY'S, LLC, dba SHARKEY'S NUGGET (SHARKEY'S) has been transferred to and is now operated by another licensee. Pursuant to a closing audit conducted by the BOARD, SHARKEY'S is due a refund of prepaid gaming taxes in the amount of TWELVE THOUSAND TWENTY-NINE DOLLARS AND THIRTY-TWO CENTS (\$12,029.32) (the SHARKEY'S REFUND). SHARKEY'S hereby agrees to forfeit the SHARKEY'S REFUND as a fine to be paid in settlement of this matter.
- 4. The only remaining licensed property operated by RESPONDENTS is the SUNDANCE CASINO, operated by HOLDER GROUP SUNDANCE, LLC (SUNDANCE). RESPONDENTS agree SUNDANCE's gaming license shall be deemed surrendered at 11:59:59 p.m. (Pacific Daylight Time) on October 29, 2015.
- 5. On or before October 29, 2015, the BOARD Chairman, or designee, in his sole and absolute discretion, may administratively extend the time and date SUNDANCE's license is deemed surrendered to not later than 11:59:59 p.m. (Pacific Standard Time) on February 29, 2016, if a person has a completed application on file for a nonrestricted gaming license at SUNDANCE's current location and the person has agreed, in writing, to purchase or lease SUNDANCE's location for the purposes of the person exposing gaming for play.
- 6. The BOARD Chairman, or designee, in his sole and absolute discretion, may administratively extend the time and date SUNDANCE's license is deemed surrendered to not later than 11:59:59 p.m. (Pacific Standard Time) on November 30, 2015, if the BOARD Chairman, or designee, determines RESPONDENTS have entered into an agreement to sell SUNDANCE on or before October 29, 2015. The BOARD Chairman, or designee, in his sole and absolute discretion, may further administratively extend the time and date SUNDANCE's license is deemed surrendered to not later than 11:59:59 p.m. (Pacific Standard Time) on February 29, 2016, if the purchaser reflected in the agreement to sell has a completed application on file for a nonrestricted gaming license at SUNDANCE on or before November 30, 2015.

. . . .

- 7. If a complete application for a gaming license to operate SUNDANCE is not on file on or before October 29, 2015, the BOARD Chairman, or designee, in his sole and absolute discretion, may administratively extend the time and date the nonrestricted gaming license for SUNDANCE is deemed surrendered to not later than 11:59:59 p.m. (Pacific Standard Time) on February 29, 2016, if the BOARD Chairman, or designee, determines that RESPONDENTS have entered into an agreement with an authorized distributor of an Online Slot Monitoring System meeting the requirements of the Regulations and Technical Standards and such system is installed and operating at SUNDANCE on or before October 29, 2015.
- 8. If an Online Slot Monitoring System has been installed and is operating as provided in paragraph 7 of this stipulation, the BOARD Chairman, or designee, in his sole and absolute discretion, may administratively extend the time and date the nonrestricted gaming license for SUNDANCE is deemed surrendered to not later than 11:59:59 p.m. (Pacific Daylight Time) on June 30, 2016, if the United States Bankruptcy Court for the District of Nevada, in case number 15-50157-btb, involving SUNDANCE as Debtor, has ordered an auction or other sale of SUNDANCE that is likely to be completed soon enough to allow the purchaser of SUNDANCE to be licensed on or before such date and, the BOARD Chairman, or designee, in his sole and absolute discretion, determines that such extension is consistent with the public policy of this State as set forth in the Nevada Gaming Control Act.
- 9. In consideration for the execution of this settlement agreement, RESPONDENTS, for themselves, their heirs, executors, administrators, successors, and assigns, hereby releases and forever discharges 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

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Complaint and this disciplinary action, NGC Case No. 14-17, or any other matter relating thereto.

- 10. 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. 14-17, 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.
- 11. 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.
- 12. 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 RESPONDENTS in the above-entitled disciplinary case, NGC Case No. 14-17.
- 13. 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

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null and void and 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.

- 14. 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. 14-17. 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.
- 15. RESPONDENTS agree and understand that although this settlement, if approved by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No. 14-17, the allegations contained in the Complaint file in NGC Case No. 14-17 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.
- 16. RESPONDENTS affirmatively represent that if RESPONDENTS, this Stipulation for Settlement and Order, and/or any amounts distributed under this Stipulation for Settlement and Order are subject to, or will become subject to, the jurisdiction of any bankruptcy court, the bankruptcy court's approval is not necessary for this Stipulation for Settlement and Order to become effective, or that the bankruptcy court has already approved this Stipulation for Settlement and Order.
- 17. RESPONDENTS, by executing this stipulation affirmatively waive all notices required by law for this matter including, but not limited to, notices concerning consideration of the character or misconduct of a person (NRS 241.033), notices concerning consideration of administrative action against a person (NRS 241.034), and notices concerning hearings before the Nevada Gaming Commission (NRS 463.312). Regardless of the waiver of legal notice requirements, the BOARD and Nevada Gaming Commission will attempt to provide reasonable notice of the time and place of the hearing. Further, in negotiating this settlement,