

1 NGC Case No. 06-01

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3  
4 STATE OF NEVADA

5 BEFORE THE NEVADA GAMING COMMISSION

6 STATE GAMING CONTROL BOARD, )

7 Complainant, )

8 vs. )

9 NEVADA RESTAURANT SERVICES, )  
10 INC., NORTHERN NEVADA )  
RESTAURANT SERVICES, INC., )

11 RICHARD CRAIG ESTEY, individually )  
12 and as officer, director and shareholder, )

13 Respondents. )

**STIPULATION FOR  
SETTLEMENT AND ORDER**

Attorney General's Office  
Gaming Division  
555 E. Washington Ave., Ste. 3900  
Las Vegas, Nevada 89101

14 The State of Nevada, on relation of its GAMING CONTROL BOARD (BOARD),  
15 Complainant herein, filed and served a Complaint, NGC Case No. 06-01, against the above-  
16 captioned RESPONDENTS citing certain violations of the Nevada Gaming Control Act and  
17 Regulations of the Nevada Gaming Commission.

18 IT IS HEREBY STIPULATED AND AGREED to by the BOARD and RESPONDENTS  
19 that the Complaint, NGC Case No. 06-01, filed against RESPONDENTS in the above-entitled  
20 case shall be settled on the following terms and conditions:

21 1. RESPONDENTS admit the allegations set forth in Counts One and Two of the  
22 Complaint, NGC Case No. 06-01.

23 2. RESPONDENTS fully understand and voluntarily waive the right to a public  
24 hearing on the charges and allegations set forth in the Complaint, the right to present and  
25 cross-examine witnesses, the right to a written decision on the merits of the Complaint, which  
26 must contain findings of fact and a determination of the issues presented, and the right to  
27 obtain judicial review of the Nevada Gaming Commission's decision.  
28

1           3.       RESPONDENTS agrees to pay a fine in the total amount of TWO HUNDRED  
2 THOUSAND DOLLARS (\$200,000.00) made payable to the *State of Nevada-Nevada Gaming*  
3 *Commission* on the date this stipulated settlement agreement is accepted by the Nevada  
4 Gaming Commission in full settlement and satisfaction of the allegations set forth in the  
5 Complaint, NGC Case No. **06-01**. Interest on the fine shall accrue on any unpaid balance  
6 computed from the date payment is due until payment is made in full.

7  
8           4.       Within twelve months of Commission approval of this Stipulation for Settlement,  
9 RESPONDENT RICHARD CRAIG ESTEY shall attend a business ethics course approved by  
10 the BOARD and provide the BOARD with written documentation evidencing his successful  
11 completion of the course.

12           5.       The requirements specified in paragraph 4, above, shall become a condition to  
13 RESPONDENT NRSI's slot route operator and manufacturer/distributor licenses until  
14 administratively removed by the BOARD Chairman. Failure to comply with the condition may  
15 result in further disciplinary action.

16  
17           6.       In consideration for the execution of this settlement agreement,  
18 RESPONDENTS, for themselves, their heirs, executors, administrators, successors, and  
19 assigns, hereby release and forever discharge the State of Nevada, the Nevada Gaming  
20 Commission, the Nevada Gaming Control Board, the Nevada Attorney General and each of  
21 their members, agents, and employees in their individual and representative capacities, from  
22 any and all manner of actions, causes of action, suits, debts, judgments, executions, claims,  
23 and demands whatsoever known or unknown, in law and equity, that RESPONDENTS ever  
24 had, now have, may have, or claim to have against any and all of the persons or entities  
25 named in this paragraph arising out of, or by reason of, the investigation of the allegations in  
26 the Complaint, this disciplinary action, NGC Case No. **06-01**, or any other matter relating  
27 thereto.  
28

1           7.     In consideration for the execution of this settlement agreement,  
2     RESPONDENTS hereby indemnify and hold harmless the State of Nevada, the Nevada  
3     Gaming Commission, the State Gaming Control Board, the Nevada Attorney General, and  
4     each of their members, agents, and employees in their individual and representative  
5     capacities against any and all claims, suits and actions, brought against the persons named in  
6     this paragraph by reason of the investigation of the allegations in the Complaint, filed in this  
7     disciplinary action, NGC Case No. **06-01**, and all other matters relating thereto, and against  
8     any and all expenses, damages, charges and costs, including court costs and attorney fees,  
9     which may be sustained by the persons and entities named in this paragraph as a result of  
10    said claims, suits and actions.

11           8.     RESPONDENTS enter into this Stipulation for Settlement freely and voluntarily,  
12    and with the assistance of legal counsel. RESPONDENTS acknowledge that this stipulated  
13    settlement is not the product of force, threats, or any other form of coercion or duress, but is  
14    the product of discussions between RESPONDENTS, counsel for RESPONDENTS and the  
15    attorney for the BOARD.

16           9.     RESPONDENTS and the BOARD acknowledge that this settlement is made to  
17    avoid litigation and economize resources. The parties agree and understand that this  
18    Stipulation for Settlement is intended to operate as full and final settlement of the Complaint  
19    filed against RESPONDENTS in the above-entitled disciplinary case, NGC Case No. **06-01**

20           10.    RESPONDENTS and the BOARD recognize and agree that the Nevada Gaming  
21    Commission has the sole and absolute discretion to determine whether to accept this  
22    stipulated settlement agreement. RESPONDENTS and the BOARD hereby waive any right  
23    they may have to challenge the impartiality of the Nevada Gaming Commission to hear the  
24    above-entitled case on the matters embraced in the Complaint if the Nevada Gaming  
25    Commission determines not to accept this stipulated settlement agreement. If the Nevada  
26    Gaming Commission does not accept the Stipulation for Settlement, it shall be withdrawn as  
27    null and void and the RESPONDENTS admissions, if any, that certain violations of the

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1 Nevada Gaming Control Act and the Regulations of the Nevada Gaming Commission  
2 occurred shall be withdrawn.

3 11. RESPONDENTS and the BOARD agree and understand that this settlement  
4 agreement is intended to operate as full and final settlement of the Complaint filed in NGC  
5 Case No. **06-01**. The parties further agree and understand that any oral representations are  
6 superseded by this settlement agreement and that only those terms memorialized in writing  
7 herein shall be effective.

8 12. RESPONDENTS agree and understand that although this settlement, if  
9 approved by the Nevada Gaming Commission, will settle the Complaint filed in NGC Case No.  
10 **06-01**, the allegations contained in the Complaint file in NGC Case No. **06-01** and the terms of  
11 this settlement agreement may be considered by the BOARD and/or the Nevada Gaming  
12 Commission, with regard to any and all applications by RESPONDENTS that are currently  
13 pending before the BOARD or the Nevada Gaming Commission, or that are filed in the future  
14 with the BOARD.

15 13. RESPONDENTS and the BOARD shall each bear their own costs incurred in  
16 this disciplinary action, NGC Case No. **06-01**.

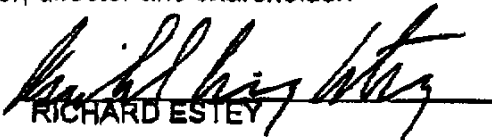
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1 14. This stipulated settlement agreement shall become effective immediately upon  
2 approval by the Nevada Gaming Commission.

3 DATED this 16<sup>th</sup> day of February, 2006.

5 NEVADA RESTAURANT SERVICES,  
6 INC., NORTHERN NEVADA  
7 RESTAURANT SERVICES, INC.,  
8 RICHARD ESTEY, individually and as  
9 officer, director and shareholder.

STATE GAMING CONTROL BOARD

By:   
RICHARD ESTEY

  
DENNIS K. NEILANDER, Chairman

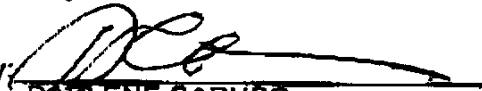
BOBBY L. SILLER, Member

MARK A. CLAYTON, Member

Attorney General's Office  
Gaming Division  
555 E. Washington Ave., Ste. 3900  
Las Vegas, Nevada 89101

Submitted by:

GEORGE CHANOS  
Attorney General

By:   
DARLENE CARUSO  
Deputy Attorney General  
Gaming Division

Attorneys for State Gaming Control Board

ORDER

IT IS SO ORDERED in NGC Case No. 06-01.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

NEVADA GAMING COMMISSION

PETER C. BERNHARD, Chairman

Attorney General's Office  
Gaming Division  
555 E. Washington Ave., Ste. 3900  
Las Vegas, Nevada 89101

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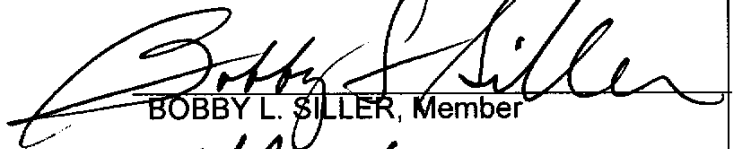
3 DATED this 16<sup>th</sup> day of February, 2006.

5 NEVADA RESTAURANT SERVICES,  
6 INC., NORTHERN NEVADA  
7 RESTAURANT SERVICES, INC.,  
8 RICHARD ESTEY, individually and as  
9 officer, director and shareholder.

STATE GAMING CONTROL BOARD

10 By:   
11 RICHARD ESTEY


DENNIS K. NEILANDER, Chairman

  
BOBBY L. SILLER, Member

  
MARK A. CLAYTON, Member

16 Submitted by:

17 GEORGE CHANOS  
18 Attorney General

19 By:   
20 DARLENE CARUSO  
21 Deputy Attorney General  
22 Gaming Division

Attorneys for State Gaming Control Board

23 ORDER

24 IT IS SO ORDERED in NGC Case No. 06-01.

25 DATED this 23 day of February, 2006.

26 NEVADA GAMING COMMISSION  
27   
28 PETER C. BERNHARD, Chairman

CERTIFICATE OF MAILING

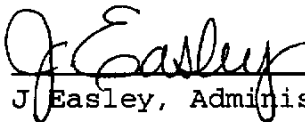
I hereby certify that I am employed by the State Gaming Control Board as an Administrative Assistant to Marilyn Epling, Executive Secretary of the Nevada Gaming Commission and the State Gaming Control Board, and that on the date shown below I deposited for mailing at Carson City, Nevada, a true copy of the attached **STIPULATION FOR SETTLEMENT AND ORDER** addressed to:

FRANK SCHRECK ESQ  
300 S FOURTH ST STE 1200  
LAS VEGAS NV 89101

And forwarded via interdepartmental mail to:

DARLENE CARUSO  
DEPUTY ATTORNEY GENERAL  
GAMING DIVISION  
555 EAST WASHINGTON AVENUE STE 3900  
LAS VEGAS, NV 89101

Dated this 24<sup>th</sup> day of February, 2006.



J. Easley, Administrative Assistant