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8	Attorneys for Director Stephanie Shimazu							
9								
10	BEFORE THE							
11	CALIFORNIA GAMBLING CONTROL COMMISSION							
12.	STATE OF CALIFORNIA							
13								
14								
15	7 d 36 d (Cd A (Cd A (Cd C))	CGCC Case No. CGCC-2018-0322-4B						
16	In the Matter of the Applications for the Renewal of the State Gambling Licenses for:	BGC Case No. BGC- HQ2018-00017SL						
17.	Angela K. Harris, sole proprietor, and doing							
18	business as: Casino 99 175 East 20th Street, Suite 150 Chico, California 95928	STIPULATED SETTLEMENT; DECISION AND ORDER						
19	and							
20	Gary Harris, community property interest							
21	holder in Casino 99 175 East 20th Street, Suite 150							
22	Chico, California 95928							
23	Applicants.							
24	Applicants.							
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	Stipulated Settlement (Angela K.	Harris, Gary Harris & Casino 99)						

STIPULATED SETTLEMENT

PARTIES AND JURISDICTION

- 1. Stephanie Shimazu submitted the Statement of Particulars in this matter solely in her official capacity as the Director of the California Department of Justice, Bureau of Gambling Control (Bureau).
- 2. On October 17, 2017, the Bureau received an Application for State Gambling License, dated October 11, 2017, from Angela K. Harris (Ms. Harris), to renew her state gambling license, number GEOW-001069, as the sole owner of Casino 99, an 8-table, licensed gambling establishment, license number GEGE-000438, located in Chico, California.¹
- 3. On October 17, 2017, the Bureau received an Application for State Gambling License, dated October 11, 2017, from Gary Harris (Mr. Harris), the spouse of Ms. Harris, to renew his state gambling license, number GEOW-001070, as a community property interest holder in Casino 99.²
- 4. On or about December 18, 2017, the Bureau submitted a Gambling Establishment and Owner Renewal Report, Level II (Report), to the California Gambling Control Commission (Commission). On or about January 9, 2018, the Bureau submitted an addendum to the Report to the Commission. On or about February 9, 2018, the Bureau submitted a second addendum to the Report to the Commission in which it recommended that the Commission place a condition on Casino 99's license that requires Mr. Harris to submit an Application for a State Gambling License as an owner of Casino 99.

¹ Ms. Harris was initially registered to own and operate Casino 99 on September 15, 1997, under the Gaming Registration Act (former Bus. & Prof. Code, § 19800 et seq.). The Gaming Registration Act was the predecessor of the current Gambling Control Act (Bus. & Prof. Code, § 19800 et seq.). Ms. Harris has been continuously registered or licensed to own and operate Casino 99 since September 15, 1997.

² On or about June 21, 1999, Mr. Harris submitted a Spouse's Declaration, Acknowledgement and Agreement in which he avowed, under of penalty of perjury, that his sole and exclusive interest in Casino 99 was his community property interest and agreed that he could not lawfully engage in any activity at Casino 99 for which a registration, finding of suitability, permit or license may be required. Mr. Harris has continuously held a state gambling license as a community property interest holder in Casino 99 since November 2000.

- 5. On or about March 22, 2018, the Commission referred consideration of the renewal of Ms. Harris', Mr. Harris', and Casino 99's licenses to an evidentiary hearing, which is to be held pursuant to California Code of Regulations, title 4, section 12060. At that time, the Commission also issued an interim renewal license pursuant to California Code of Regulations, title 4, section 12035, valid through January 31, 2020, to allow for the continued operation of Casino 99.
- 6. On April 9, 2018, a Notice of Defense, dated April 4, 2018, was submitted on behalf of "Casino 99."³

ADVISEMENT AND WAIVERS

- 7. Both Ms. Harris and Mr. Harris have carefully reviewed, and have discussed with their chosen designated representative, the legal and factual allegations in the Statement of Particulars. Both Ms. Harris and Mr. Harris have also carefully reviewed, and have discussed with their designated representative, this Stipulated Settlement. Both Ms. Harris and Mr. Harris fully understand the terms and conditions contained within this Stipulated Settlement and the effects thereof.
- 8. Both Ms. Harris and Mr. Harris are fully aware of their legal rights in this matter, including the right to a hearing before the Commission on their suitability for licensure and all the allegations in the Statement of Particulars; the right to be represented by counsel of their choice at their own expense; the right to confront and cross-examine witnesses; the right to present evidence and testify on their own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to apply for reconsideration and court review of an adverse decision; and all other rights afforded by the Act, the regulations promulgated thereunder, and all other applicable laws.

³ Separate Notices of Defense were not submitted on behalf of Ms. Harris or Mr. Harris, nor were they identified on the Notice of Defense submitted on behalf of Casino 99. However, from the record, it is clear that a hearing was being sought to address the renewal of all licenses related to the ownership and operation of Casino 99. Accordingly, the Bureau is not seeking denial of the applications to renew the license of Ms. Harris or Mr. Harris pursuant to California Code of Regulations, title 4, section 12052, subdivision (c)(2)(F) (default decision).

9. Both Ms. Harris and Mr. Harris hereby voluntarily, knowingly, and intelligently waive and give up each and every right set forth in paragraph 8 above, withdraw their Notice of Defense, and agree to be bound by this Stipulated Settlement.

STIPULATED AGREEMENT OF SETTLEMENT

- 10. For the purposes of resolving this matter, the issue of their continued suitability for licensure, and for any other matters now and in the future involving the Commission, the Bureau, or licensed gambling, both Ms. Harris and Mr. Harris knowingly and voluntarily admit that all the factual and legal allegations in the Statement of Particulars are true, accurate, and complete.
- 11. Both Ms. Harris and Mr. Harris understand and agree that the admissions made in paragraph 10 above may be entered into evidence in any legal proceeding brought or prosecuted by the Commission or the Bureau, as if those admissions were made under oath and penalty of perjury.
- 12. Both Ms. Harris and Mr. Harris expressly agree that their continued licensures shall be subject to the following:
 - a. Upon the effective date of the Commission's Decision and Order adopting this Stipulated Settlement, Ms. Harris' state gambling license to own and operate Casino 99 shall be renewed and subject to the conditions that:
 - 1. Within 45 calendar days of the effective date of the Commission's Decision and Order adopting this Stipulated Settlement, Mr. Harris must apply for and, upon approval, maintain a state gambling license as an owner of Casino 99; and
 - 2. The financial statements covering all financial activities of Casino 99, including the profit and loss statement, and the statement of financial position, be prepared in accordance with generally accepted accounting principles.
 - b. Upon the effective date of the Commission's Decision and Order adopting this Stipulated Settlement, Mr. Harris' state gambling license as a community property interest holder in Casino 99 shall be renewed and subject to the condition that:
 - 1. Within 45 calendar days of the effective date of the Commission's Decision and Order adopting this Stipulated Settlement, Mr. Harris must

apply for and, upon approval, maintain a state gambling license as an owner of Casino 99.

- 13. Both Ms. Harris and Mr. Harris understand that Mr. Harris' ability to participated in the operation, management or control of Casino 99 is contingent upon the type of license he holds, as defined and regulated by Gambling Control Act (Bus. & Prof. Code, § 19800 et seq.), and the regulations promulgated thereunder.
 - 14. The Bureau agrees not to seek fines, penalties, or costs related to this matter.
 - 15. The parties agree that this Stipulated Settlement fully resolves this matter.
- 16. This Stipulated Settlement shall be subject to adoption by the Commission. Both Ms. Harris and Mr. Harris understand and specifically agree that counsel for the Bureau, and the Bureau's staff, may communicate directly with the Commission regarding this Stipulated Settlement, without notice to, or participation by, either Ms. Harris, Mr. Harris, or their designated representative, and that no such communication shall be deemed a prohibited ex parte communication. Both Ms. Harris and Mr. Harris specifically acknowledge and agree that such communications are permissible pursuant to Government Code section 11430.30, subdivision (b).
- 17. By signing this Stipulated Settlement, both Ms. Harris and Mr. Harris understand and agree that they may not withdraw their agreement or seek to rescind the Stipulated Settlement prior to the time the Commission considers and acts upon it. If the Commission fails to adopt this Stipulated Settlement as its Decision and Order, this Stipulated Settlement shall be of no force or effect, and, except for actions taken pursuant to this paragraph and paragraph 15 above, it shall be inadmissible in any legal action between the parties. The Commission's consideration of this Stipulated Settlement shall not disqualify it from any further action regarding either Ms. Harris' or Mr. Harris' licensure, including, but not limited to, disposition of this matter by a decision and order following a hearing on the merits.
- 18. The parties agree that a photocopy, facsimile or electronic copy of this Stipulated Settlement, including copies with signatures thereon, shall have the same force and effect as an original.
 - 19. In consideration of the above admissions and stipulations, the parties agree that the

1	Commission may, without further notice or formal proceeding, issue and enter the Decision and						
2	Order adopting this Stipulated Settlement.						
3	<u>ACCEPTANCE</u>						
4	Both Ms. Harris and Mr. Harris have carefully read and considered the above Stipulated						
5	Settlement. They both have discussed the above Stipulated Settlement's terms and effects with						
6	their chosen representative. Both Ms. Harris and Mr. Harris understand the Stipulated Settlement						
7	and the effects it will have on their state gambling licenses. Both Ms. Harris and Mr. Harris enter						
8	into this Stipulated Settlement voluntarily, knowingly and intelligently, and agree to be bound by						
9	its terms.						
10							
1,1	Dated: December, 2018						
12	Maril 1.7-7019 m						
13	Angela K. Harris, Sole Proprietor,						
14	Casino 99						
15							
16	Dated: December <u>18</u> , 2018						
17	My He						
18	Gary Harris, Community Property Interest Holder,						
19	Casino 99						
20							
21	Approved as to Form:						
22	Dated: December, 2018						
23	Stanley Seiff, Designated Representative Angela Harris, Gary Harris & Casino 99						
24							
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Stipulated Settlement (Angela K. Harris, Gary Harris & Casino 99)

BUREAU'S ACCEPTANCE Dated: December Bureau of Gambling Control California Department of Justice The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by the California Gambling Control Commission. Dated: December 8, 2018 XAVIER BECERRA Attorney General of California SARA J. DRAKE Senior Assistant Attorney General RONALD L. DIEDRICH Deputy Attorney General Attorneys for the Bureau and Director Shimazu

DECISION AND ORDER OF THE COMMISSION

The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties for the case of *In the Matter of the Applications for the Renewal of the State Gambling Licenses for: Angela K. Harris (GEOW-001069), sole proprietor, and doing business as: Casino 99 (GEGE-000438), and Gary Harris (GEOW-001070), community property interest holder in Casino 99, CGCC Case No. CGCC-2018-0322-4B, GBC Case No. BGC-HQ2018-00017SL, as its final Decision and Order in this matter to be effective upon execution below by its members.*

IT	15	SO	OKI	JEKED

Dated:	2	7	19		
				Jim Evans, Chairpers	01

Dated: 2/7/19 Paula LaBrie, Commissioner

Dated: 2 7 19

Garth Lacy, Commissioner

Dated: 217/19. Trang To, Commissioner

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