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Attorneys for Complainant

8
9 **BEFORE THE**
10 **CALIFORNIA GAMBLING CONTROL COMMISSION**
11 **STATE OF CALIFORNIA**
12

13 **In the Matter of the Statement of Issues**
14 **Against:**

15 **ROBERT BROWN and DEUCES WILD,**
16 **INC., dba DEUCES WILD CASINO &**
17 **LOUNGE**
13483 Bowman Road, Suite A
Auburn, CA 95603
18 License Number GEGE-000474

BGC Case No. 2011-120884

**STIPULATION AND PROPOSED
DECISION AND ORDER**

19
20 The parties to the above-captioned proceeding agree and stipulate as follows:

21 **PARTIES**

22 1. Respondent Deuces Wild, Inc. is a gambling enterprise doing business as Deuces
23 Wild Casino & Lounge, located at 13483 Bowman Road, Suite A, Auburn, California 95603
24 ("Cardroom"). On July 29, 2009, Deuces Wild submitted an application to renew its State
25 Gambling License GEGE-000474 as the owner of the Cardroom.

26 2. Respondent Robert Brown is the sole shareholder and officer of Respondent Deuces
27 Wild, Inc., and the sole individual endorsee on State Gambling License GEGE 000474.
28

1 **DENIAL OF APPROVAL TO RELOCATE**

2 11. On October 24, 2010, the Commission denied Respondents' request to relocate the
3 Cardroom from Auburn to Penryn, California.

4 **REQUESTS FOR EVIDENTIARY HEARING AND FOR**
5 **RECONSIDERATION OF THE DENIALS OF RESPONDENTS'**
6 **APPLICATION FOR RENEWAL FOR APPROVAL OF RELOCATION**

7 12. By letter of October 25, 2010 from Respondents' counsel to Commission staff,
8 Respondents' timely requested hearing on the Commission's denial of their renewal application
9 and their request to relocate their gambling establishment. Respondent subsequently filed
10 multiple requests for reconsideration of the denial of approval of their relocation that were denied.

11 **JURISDICTION**

12 13. On October 26, 2011, Complainant filed the Statement of Issues with the
13 Commission and served it on Respondents. A copy of the Statement of Issues is attached hereto
14 and incorporated by reference herein as Exhibit A. On November 26, 2011, Respondents filed a
15 Notice of Defense with the Commission. Pursuant to Business and Professions Code sections
16 19870 and 19876, this matter is now subject to an administrative hearing to be held pursuant to
17 the Administrative Procedure Act (Gov. Code, § 11500, et seq.), as authorized by Business and
18 Professions Code section 19825.

19 14. The parties agree that the Commission has jurisdiction over this matter and has
20 authority to approve this Stipulation and Proposed Decision and Order ("Stipulation").

21 **PURPOSE**

22 15. Respondents have now determined not to proceed with an administrative hearing
23 on the Statement of Issues. Trustees have agreed to sell the Cardroom¹ pursuant to title 11 United
24 States Code section 363(b) & (f) and subject to Bankruptcy Court approval; and Respondents and
25 Trustees desire to settle this matter on the terms set forth in this Stipulation. Accordingly, the

26 ¹ The sale described herein is of the "gambling enterprise" and the "gambling
27 establishment" as defined under Business and Professions Code section 19805, subdivisions (m)
28 and (o). It is not the intent of this Stipulation to effectuate the assignment or transfer of the state
gambling license. (Bus. & Prof. Code, § 19873.)

1 parties jointly request that the Commission, at its next regularly scheduled public meeting, or as
2 soon thereafter as the Commission may consider the matter, approve the settlement of this matter
3 as set forth herein.

4 16. The purpose of this Stipulation is to: (a) finally and completely settle the within
5 matter on terms agreeable to the parties; (b) effect the denial of Respondent Robert Brown's
6 application for renewal of his endorsee status under State Gambling License GEGE-000474 as the
7 owner of Respondent Deuces Wild, Inc. based upon the Statement of Issues filed with the
8 Commission on October 26, 2011; (c) allow the Trustees' sale of the Cardroom to the successful
9 highest bidder pursuant to title 11 United States Code section 363(b) & (f); and (d) allow the
10 applications of the successful bidder and such associated persons as are appropriate for state
11 gambling license(s) as the new owners of the Cardroom to be considered for suitability in their
12 own right under the Gambling Control Act.

13 TERMS

14 17. Subject to approval of this Stipulation by the Bankruptcy Court and by the
15 Commission, Respondent Brown: (a) waives his right to a hearing on the Statement of Issues filed
16 with the Commission on October 26, 2011, "In the Matter of the Statement of Issues Against:
17 Robert Brown and Deuces Wild, Inc., dba Deuces Wild Casino & Lounge" and any further right
18 of judicial review; (b) accepts the allegations and causes for denial of his application for renewal
19 of his endorsee status under State Gambling License GEGE-000474 contained in the Statement of
20 Issues as true and accurate; (c) agrees that the Commission may adopt the Statement of Issues as
21 its findings of fact and law, and the decision in this matter and deny Respondent Robert Brown's
22 application for renewal of his endorsee status under State Gambling License GEGE-000474, and
23 (d) agrees that the pending appeal of the Commission's denial of Respondent Brown's request to
24 relocate the Deuces Wild Casino & Lounge is rendered moot by the terms of this settlement.

25 18. With respect to Respondent Deuces Wild, Inc., the parties agree that the Statement
26 of Issues filed with the Commission on October 26, 2011, "In the Matter of the Statement of
27 Issues Against: Robert Brown and Deuces Wild, Inc., dba Deuces Wild Casino & Lounge," shall
28 be withdrawn without prejudice.

1 19. Pursuant to Business and Professions Code section 19879, and subject to the
2 effectuation of all of the other terms of this Stipulation, the Trustees may sell the Cardroom to the
3 successful highest bidder that agrees to: (a) either redeem outstanding gaming chips for no less
4 than six (6) months after a new license has been issued and the gambling enterprise has
5 commenced offering controlled games, or resolve the liability by other means acceptable to the
6 Commission; and (b) replenish the jackpot account in an amount as is reasonably determined by
7 financial records and other evidence for the benefit of customers of the Cardroom. The
8 application(s) of the successful bidder and such associated persons as are appropriate for state
9 gambling license(s) to own and/or operate the Cardroom will be filed with the Commission
10 concurrently with the Commission's consideration of the Stipulation. The application(s) of the
11 successful bidder and such associated persons as are appropriate will be determined on their own
12 merits, based upon the applicants' suitability for licensure under the Gambling Control Act.
13 Provided: If the sale of the Cardroom under this paragraph is not finalized and presented to the
14 Commission for approval within 180 days from the effective date of the within Order, the state
15 gambling license for the gambling enterprise is deemed to be surrendered under Business and
16 Professions Code section 19877, and any right of administrative or judicial appeal from such
17 surrender is waived.

18 20. Respondent Robert Brown will have no involvement in the ownership or operation
19 of the Cardroom.

20 21. From the proceeds of the Cardroom's sale, the Trustees will pay or cause to be
21 paid to the Bureau the amount of Fifteen Thousand Dollars and No Cents (\$ 15,000.00) in costs
22 and outstanding fees to the Bureau in full and final settlement of Respondents' obligations to pay
23 licensing fees, and investigation and prosecution costs under the Gambling Control Act. By
24 signing this Stipulation, Respondents understand and agree that they may not withdraw their
25 agreement or seek to rescind the Stipulation prior to the time the Commission considers and acts
26 upon it. In the event the Commission does not adopt this Stipulation within fifteen (15) business
27 days after the Commission meeting at which the Stipulation is considered, all payments tendered
28 in connection with this Stipulation shall be returned or reimbursed to the payor in full. In the

1 event the Commission does not adopt this Stipulation and an evidentiary hearing before an
2 Administrative Law Judge and/or the Commission becomes necessary, neither any member of the
3 Commission, nor the Executive Director of the Commission, shall be disqualified because of prior
4 consideration of this Stipulation.

5 WAIVER AND ADVISEMENT

6 22. This Stipulation has been fully discussed between Respondent Robert Brown and
7 his attorney, Harlan Goodson, and Respondent Robert Brown has been fully advised of the effect
8 of this Stipulation as it waives any rights he may have to: (a) an administrative hearing on the
9 Statement of Issues; (b) any judicial challenge to this Stipulation; and (c) collaterally challenge
10 the terms of this Stipulation. Respondent Robert Brown enters into this Stipulation voluntarily,
11 knowingly, and intelligently, and agrees to be bound by this Stipulation and the terms of the
12 Decision and Order upon adoption by the Commission.

13 23. This Stipulation may be considered by the Commission in closed session.
14 Respondent Robert Brown also specifically agrees that counsel for the Bureau and/or Bureau staff
15 may communicate directly with the Commission or its staff regarding this Stipulation prior to
16 Commission action thereon, without notice to, or participation by, Respondent Robert Brown or
17 his counsel, and that no such communications shall be deemed a prohibited ex parte
18 communication.

19 24. The parties understand and agree that facsimile copies of this Stipulation and
20 Proposed Decision and Order, including facsimile signatures thereto made in counterpart, shall
21 have the same force and effect as the originals.

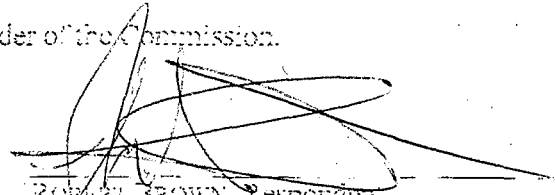
22 25. This Stipulation constitutes the entire understanding between the parties
23 concerning the subject matter that it covers. Any oral representations or modifications made prior
24 to or after execution of this Stipulation concerning the subject matter of this Stipulation shall have
25 no force or effect.

26 26. In consideration of the foregoing stipulations, the parties agree that the
27 Commission may, without further notice or formal proceeding, issue and enter the Decision and
28 Order set forth below.

ACCEPTANCE

I have carefully read the foregoing Stipulation and Proposed Decision and Order and have fully discussed it with my attorney, Harlan Goodson. I understand the Stipulation and Proposed Decision and Order and the effect it will have on State Gambling License Number GEGH-000474. I enter into this Stipulation and Proposed Decision and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Order of the Commission.

Dated: December 7, 2012


ROBERT BROWN, Respondent.

We have carefully read the foregoing Stipulation and Proposed Decision and Order and have fully discussed it with our attorney, J. Russell Cunningham. We understand the Stipulation and Proposed Decision and Order and the effect it will have on State Gambling License Number GEGH-000474. We enter into this Stipulation and Proposed Decision and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Order of the Commission.

Dated: December __, 2012

JOHN R. ROBERTS, in his capacity as
Trustee for the Bankruptcy Estate of
Respondent Deuces Wild, Inc.

Dated: December __, 2012

SUSAN K. SMITH, in her capacity as
Trustee for the Bankruptcy Estate of
Respondent Robert Brown

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ACCEPTANCE

I have carefully read the foregoing Stipulation and Proposed Decision and Order and have fully discussed it with my attorney, Harlan Goodson. I understand the Stipulation and Proposed Decision and Order and the effect it will have on State Gambling License Number GEGE-000474. I enter into this Stipulation and Proposed Decision and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Order of the Commission.

Dated: December __, 2012

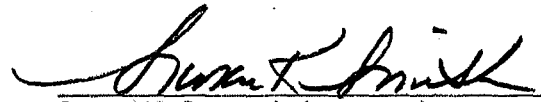
ROBERT BROWN, Respondent

We have carefully read the foregoing Stipulation and Proposed Decision and Order and have fully discussed it with our attorney, J. Russell Cunningham. We understand the Stipulation and Proposed Decision and Order and the effect it will have on State Gambling License Number GEGE-000474. We enter into this Stipulation and Proposed Decision and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Order of the Commission.

Dated: December __, 2012

JOHN R. ROBERTS, in his capacity as
Trustee for the Bankruptcy Estate of
Respondent Deuces Wild, Inc.

Dated: December __, 2012



SUSAN K. SMITH, in her capacity as
Trustee for the Bankruptcy Estate of
Respondent Robert Brown

ENDORSEMENT

I have read and fully discussed with Respondent the terms and conditions and other matters contained in the above Stipulation and Proposed Decision and Order. I approve its form and content.

Dated: December 28, 2012

HARLAN GOODSON, ESQ.
Attorney for Respondent

I have read and fully discussed with Respondent the terms and conditions and other matters contained in the above Stipulation and Proposed Decision and Order. I approve its form and content.

Dated: December __, 2012

J. RUSSELL CLUNNINGHAM, ESQ.
Attorney for JOHN R. ROBERTS AND SUSAN
K. SMITH in their capacity as Trustees for
the Bankruptcy Estates of Respondents
Dences Wild, Inc. and Robert Brown

COMPLAINANT'S ACCEPTANCE

Dated: December __, 2012

WAYNE J. QUINT, JR., CHIEF
Bureau of Gambling Control

1 **ENDORSEMENT**

2 I have read and fully discussed with Respondent the terms and conditions and other matters
3 contained in the above Stipulation and Proposed Decision and Order. I approve its form and
4 content.

5 Dated: December ___, 2012

6 _____
7 HARLAN GOODSON, ESQ.
8 Attorney for Respondent

9 I have read and fully discussed with Respondent the terms and conditions and other matters
10 contained in the above Stipulation and Proposed Decision and Order. I approve its form and
11 content.

12 Dated: December 19, 2012

13 _____
14 J. RUSSELL CUNNINGHAM, ESQ.
15 Attorney for JOHN R. ROBERTS AND SUSAN
16 K. SMITH, in their capacity as Trustees for
17 the Bankruptcy Estates of Respondents
18 Deuccs Wild, Inc. and Robert Brown

17 **COMPLAINANT'S ACCEPTANCE**

18 Dated: December ___, 2012

19 _____
20 WAYNE J. QUINT, JR., CHIEF
21 Bureau of Gambling Control

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1 **ENDORSEMENT**

2 I have read and fully discussed with Respondent the terms and conditions and other matters
3 contained in the above Stipulation and Proposed Decision and Order. I approve its form and
4 content.

5 Dated: December __, 2012

6 _____
7 HARIAN GOODSON, ESQ.
8 Attorney for Respondent


9 I have read and fully discussed with Respondent the terms and conditions and other matters
10 contained in the above Stipulation and Proposed Decision and Order. I approve its form and
11 content.

12 Dated: December __, 2012

13 _____
14 J. RUSSELL CUNNINGHAM, ESQ.
15 Attorney for JOHN R. ROBERTS AND SUSAN
16 K. SMITH, in their capacity as Trustees for
the Bankruptcy Estates of Respondents
Deuces Wild, Inc. and Robert Brown

17 **COMPLAINANT'S ACCEPTANCE**

18 Dated: December ^{Tu}₂₀, 2012

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21 WAYNE J. QUINT, JR., CHIEF
22 Bureau of Gambling Control

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ENDORSEMENT

The foregoing Stipulation and Proposed Decision and Order is hereby respectfully submitted for consideration by the California Gambling Control Commission.

Dated: January 10, 2013

KAMALA D. HARRIS
Attorney General of California
SARA J. DRAKE
Senior Assistant Attorney General

By: 

WILLIAM L. WILLIAMS, JR.
Deputy Attorney General
Attorneys for Complainant

1 Order set forth below.

2 **DECISION AND ORDER**

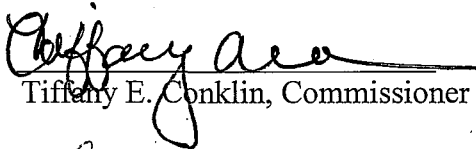
3 The foregoing Stipulation of the parties "In the Matter of the Statement of Issues Against:
4 Robert Brown and Deuces Wild, Inc., dba Deuces Wild Casino & Lounge," State Gambling
5 License Number GEGE-000474 is hereby approved. The allegations and causes for denial of
6 Respondent Robert Brown's application for renewal of his endorsee status on State Gambling
7 License contained in the Statement of Issues, attached hereto as Exhibit A, are deemed to be true
8 and accurate and are adopted as the Commission's finding of fact and law, and the decision in
9 this matter. Therefore, Robert Brown's Application for Renewal of his Endorsee Status under
10 State Gambling License Number GEGE-000474 is hereby denied, effective upon execution
11 below by the Commission.

12 **IT IS SO ORDERED**

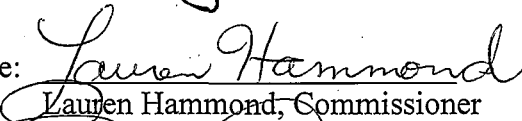
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15 Dated: _____

Signature: _____
Richard J. Lopes, Chairman

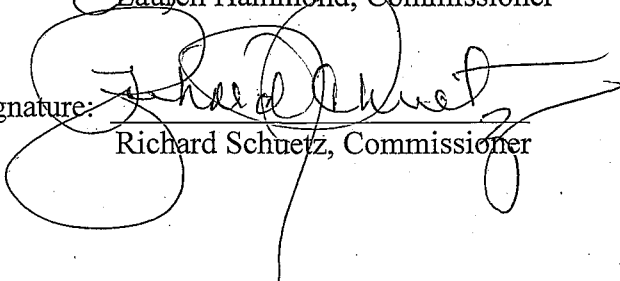
16
17 Dated: 3/21/2013

Signature: 
Tiffany E. Conklin, Commissioner

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19 Dated: 3/21/2013

Signature: 
Lauren Hammond, Commissioner

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21
22 Dated: 3/21/2013

Signature: 
Richard Schuetz, Commissioner