



STATE OF CALIFORNIA

Edmund G. Brown, Jr., Governor

**GAMBLING CONTROL COMMISSION**

2399 Gateway Oaks Drive, Suite 220  
Sacramento, CA 95833-4231

(916) 263-0700 Phone

(916) 263-0499 Fax

www.cgcc.ca.gov

JIM EVANS, CHAIRMAN

LAUREN HAMMOND

PAULA LABRIE

TRANG TO

August 17, 2017

**VIA CERTIFIED MAIL**

Mr. Darren Furtado  
[REDACTED]  
[REDACTED]

RE: Abandonment of Application for Initial Key Employee License Application

Dear Mr. Furtado:

The California Gambling Control Commission (Commission) sent a letter dated July 13, 2017 notifying you that your pending key employee license application would be abandoned, unless you contacted the Commission within 30 days of the date of said letter.

The Commission has not received any correspondence from you, and the 30 days has elapsed. As a result, the Commission has deemed your application abandoned. Your application cannot be reactivated. In order to work as a key employee, you are required to submit a new Application for Initial Key Employee License.

If you have any questions regarding this matter, please contact me at 916-274-6069.

Sincerely,

Adrianna Alcala-Beshara  
Deputy Director, Licensing

Cc: James Parrinello, counsel for Darren Furtado  
(via email, JParrinello@nmgovlaw.com)  
William Torngren, Deputy Attorney General, counsel for California Gambling  
Control Commission  
(via email, William.Torngren@doj.ca.gov )  
Yolanda Morrow, Assistant Director, Bureau of Gambling Control  
(via email, Yolanda.Morrow@doj.ca.gov)

1 XAVIER BECERRA  
Attorney General of California  
2 SARA J. DRAKE  
Senior Assistant Attorney General  
3 WILLIAM P. TORNGREN  
Deputy Attorney General  
4 State Bar No. 58493  
1300 I Street, Suite 125  
5 P.O. Box 944255  
Sacramento, CA 94244-2550  
6 Telephone: (916) 323-3033  
Fax: (916) 323-2319  
7 E-mail: William.Torngren@doj.ca.gov  
*Attorneys for Defendants*

FILED  
ENDORSED  
2017 JUL 14 AM 11:50  
GDSSC COURTHOUSE  
SUPERIOR COURT  
OF CALIFORNIA  
SACRAMENTO COUNTY

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF SACRAMENTO

13 **DARREN FURTADO,**  
14  
Petitioner and Plaintiff,  
15  
v.  
16  
17 **CALIFORNIA GAMBLING CONTROL**  
18 **COMMISSION; and DOES I-X, inclusive,**  
19  
Defendants.

Case No. 34-2016-80002425

**NOTICE OF ENTRY OF ORDER**

Dept: 31  
Judge: Honorable Michael P. Kenny  
Action Filed: August 17, 2016

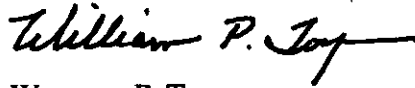
21 **PLEASE TAKE NOTICE** that on June 30, 2017, the Stipulation and Dismissal Pursuant  
22 to Settlement in the above-entitled action was entered. A true and correct copy of the Stipulation  
23 and Dismissal as entered is attached hereto as Exhibit A.  
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Dated: July 13, 2017

Respectfully Submitted,

XAVIER BECERRA  
Attorney General of California  
SARA J. DRAKE  
Senior Assistant Attorney General



WILLIAM P. TORNGREN  
Deputy Attorney General  
*Attorneys for Defendants*

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**DECLARATION OF SERVICE BY E-MAIL AND U.S. MAIL**

I declare:

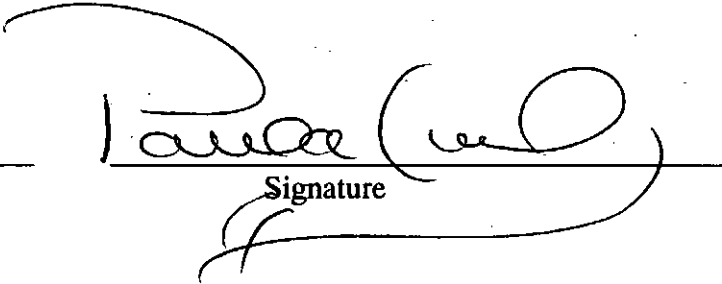
I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On July 13, 2017, I served the attached **NOTICE OF ENTRY OF ORDER** by transmitting a true copy via electronic mail. In addition, I placed a true copy thereof enclosed in a sealed envelope, in the internal mail system of the Office of the Attorney General, addressed as follows:

**JAMES R. PARRINELLO  
JAMES W. CARSON  
NIELSEN, MERKSAMER, PARRINELLO, GROSS & LEONI, LLP  
2350 Kerner Blvd., Suite 250  
San Rafael, CA 94901  
Email: jparrinello@nmgovlaw.com  
Email: jcarson@nmgovlaw.com**

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on July 13, 2017, at Sacramento, California.

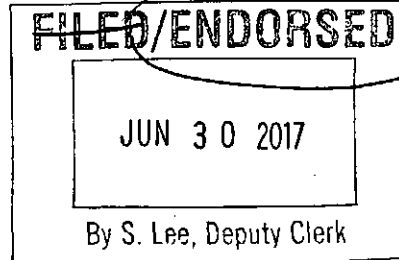
PAULA CORRAL  
Declarant



Signature

# Exhibit A

1 XAVIER BECERRA  
Attorney General of California  
2 SARA J. DRAKE  
Senior Assistant Attorney General  
3 WILLIAM P. TORNGREN  
Deputy Attorney General  
4 State Bar No. 58493  
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7 Fax: (916) 323-2319  
E-mail: William.Torngren@doj.ca.gov  
8 *Attorneys for Defendant*



9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF SACRAMENTO

13 **DARREN FURTADO,**

Petitioner and Plaintiff,

15 v.

17 **CALIFORNIA GAMBLING CONTROL  
COMMISSION; and DOES I-X, inclusive,**

19 Defendants.

Case No. 34-2016-80002425

**STIPULATION AND DISMISSAL  
PURSUANT TO SETTLEMENT**

Dept: 31  
Judge: Honorable Michael P. Kenny  
Hearing: None Scheduled  
Filed: August 17, 2016

21 This stipulation is made by and between petitioner Darren Furtado (Petitioner) and  
22 respondent California Gambling Control Commission (Respondent) through their respective  
23 attorneys. Collectively, Petitioner and Respondent are referred to as "Parties" in this stipulation.

24 **BACKGROUND**

25 This stipulation is made with reference to the following:

26 1. The Bureau of Gambling Control (Bureau) submitted a Cardroom Key Employee  
27 Renewal Background Investigation Report (Report), dated April 18, 2013, to Respondent.

1 Petitioner was the subject of the Report. The Bureau did not make any recommendation in the  
2 Report regarding Petitioner's suitability for licensing or renewal of his key employee license. At  
3 its May 23, 2013 meeting, the Respondent referred the question of Petitioner's suitability for  
4 license renewal to an evidentiary hearing.

5 2. On June 23, 2016, following an evidentiary hearing, Respondent issued a decision  
6 and order (Order) by which it denied Petitioner's application to renew his key employee license  
7 under the Gambling Control Act (Act). In its Order, Respondent made certain findings of fact  
8 and reached certain legal conclusions.

9 3. Petitioner commenced this proceeding by filing a timely Petition for Writ of  
10 Mandate and Complaint for Declaratory Relief (Petition) to challenge the Order. The Act  
11 provides that Respondent's decision to deny a license is reviewed pursuant to Code of Civil  
12 Procedure section 1085, and not section 1094.5. (Bus. & Prof. Code, § 19870, subd. (e).)

13 4. Before the effective date of the Order, on August 24, 2016, after a hearing, the  
14 Court entered a Temporary Stay/Temporary Restraining Order and Alternative Writ (Stay). The  
15 Court ordered Respondent "[t]o stay the effectiveness of [its Order] denying renewal of Petitioner  
16 Darren Furtado's key employee license and to take no action to cancel said license, or render it  
17 void or inoperable, pending further order . . . ." (Stay, pp. 1-2.)

18 5. The Parties prepared and submitted written arguments regarding a peremptory writ  
19 of mandate.

20 6. Thereafter, the Parties agreed to settle this proceeding. In connection with the  
21 settlement discussions, Petitioner represented that he had performed, and continued to perform, in  
22 accordance with the duties and obligations set forth in this stipulation. Petitioner further  
23 represented that performance of those duties and obligations began on or about February 1, 2017.  
24 Petitioner acknowledged, warranted, and represented that he understood that Respondent was  
25 relying upon those representations, which were material to the settlement.

26 7. The Parties enter into this stipulation to set forth their settlement, dismiss the  
27 Petition, vacate the Commission's referral to an evidentiary hearing and the Order, and return  
28 jurisdiction to Respondent to consider Petitioner's request to abandon his renewal application.

**STIPULATION**

Based upon the foregoing, the Parties stipulate as follows:

1. In connection with the Order, Petitioner exercised his legal rights, including: the right to a hearing on all the allegations in the Bureau's statement of particulars; the right to be represented by counsel of his choice at his own expense; the right to confront and cross-examine the witnesses against him; the right to present evidence and testify on his 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; and all other rights afforded by the Act, the regulations adopted under the Act, and all other applicable laws.

2. Petitioner requests, and agrees, that his renewal application be deemed abandoned pursuant to California Code of Regulations, title 4, section 12017, subdivision (b)(1)(C). Petitioner agrees that he is no longer pursuing the renewal application.

3. Respondent agrees that its referral of Petitioner's renewal application is withdrawn and will determine Petitioner's request that his renewal application be deemed abandoned in accordance with the Act and the regulations adopted pursuant to the Act, including, without limitation, at a non-evidentiary hearing meeting as provided in California Code of Regulations, title 4, section 12054, subdivision (a)(6).

4. Petitioner will not apply, or reapply, for licensure under the Act for a period of two years measured from February 1, 2017.

5. Petitioner will not apply for, and will not hold, a work permit issued by either Respondent or a local jurisdiction for a period of two years measured from February 1, 2017. Petitioner will relinquish any local work permit that he holds upon entry of judgment pursuant to this stipulation.

6. For a period of two years beginning February 1, 2017, Petitioner has not had and will not have direct contact with any gambling establishment, gambling enterprise, or third party provider of proposition player services, or the employees, officers, directors, managers, or persons having comparable titles or duties except for social contacts unrelated to the business of controlled gambling.



1           7.     Petitioner is a shareholder and management employee of Imperium Security  
2 Specialists, Inc. (Imperium), which provides services to one or more California gambling  
3 establishments. For a period of two years beginning February 1, 2017, Petitioner has not been  
4 and will not be present at any gambling establishment in his capacity as an Imperium agent and  
5 will not direct Imperium's employees activities at any gambling establishment except for  
6 incidental contact and administering payroll or work schedules or performing similar functions  
7 done off site.

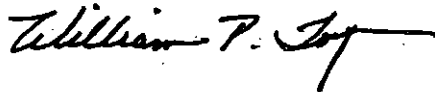
8           8.     The Commission's referral of Petitioner's application to an evidentiary hearing is  
9 vacated.

10          9.     In the interests of justice, the Order is set aside, vacated, and shall have no further  
11 force or effect. Petitioner's key license is terminated upon entry of judgment on this stipulation.  
12 The clerk may destroy the administrative record.

13          10.    Neither Party is deemed to have prevailed in the action, and each Party will bear  
14 its or his own costs and expenses. Notwithstanding California Code of Regulations, title 4,  
15 section 12017, subdivision (e), Petitioner shall not recover any deposit made to the Bureau.

16 Dated: June 29, 2017


XAVIER BECERRA  
Attorney General of California  
SARA J. DRAKE  
Senior Assistant Attorney General



WILLIAM P. TORNGREN  
Deputy Attorney General  
*Attorneys for Defendants*

23 Dated: June 29, 2017

NIELSEN MERKSAMER  
PARRINELLO GROSS & LEONI LLP

  
James R. Parrinello  
*Attorneys for Petitioner and Plaintiff*

1 ORDER

2 Having considered the file in this action, and in accord with the stipulation of the parties,  
3 the Court ORDERS:

4 1. In the interests of justice, Respondent's Order is set aside, vacated, and shall have  
5 no further force or effect. In the further interests of justice, the Petition is dismissed without  
6 prejudice.

7 2. Petitioner shall not apply, or reapply, for licensure under the Act for a period of  
8 two years measured from February 1, 2017.

9 3. Petitioner shall not apply for, and will not hold, a work permit issued by either  
10 Respondent or a local jurisdiction for a period of two years measured from February 1, 2017.  
11 Petitioner will relinquish any local work permit that he holds upon entry of judgment pursuant to  
12 this stipulation.

13 4. For a period of two years beginning February 1, 2017, Petitioner shall not have  
14 direct contact with any gambling establishment, gambling enterprise, or third party provider of  
15 proposition player services, or the employees, officers, directors, managers, or persons having  
16 comparable titles or duties except for social contacts unrelated to the business of controlled  
17 gambling.

18 5. For a period of two years beginning February 1, 2017, Petitioner shall not be  
19 present at any gambling establishment in his capacity as an Imperium Security Specialists, Inc.  
20 (Imperium) agent and shall not direct Imperium's employees activities at any gambling  
21 establishment except for incidental contact and administering payroll or work schedules or  
22 performing similar functions done off site.

23 6. Neither Party is deemed to have prevailed in the action, and each Party shall bear  
24 its or his own costs and expenses. Notwithstanding California Code of Regulations, title 4,  
25 section 12017, subdivision (e), Petitioner shall not recover any deposit made to the Bureau.

26 7. This matter is remanded to Respondent to consider and determine Petitioner's  
27 request that his renewal application be deemed abandoned. Respondent may determine  
28 Petitioner's request that his renewal application be deemed abandoned in accordance with the Act

1 and the regulations adopted pursuant to the Act, including, without limitation, at a non-  
2 evidentiary hearing meeting as provided in California Code of Regulations, title 4, section 12054,  
3 subdivision (a)(6).

4 8. The Clerk shall destroy the administrative record.

5 9. The Petition is dismissed without prejudice. The Court retains jurisdiction to  
6 enforce its order.

7 IT IS SO ORDERED.

8  
9 Dated: June 30, 2017

10 **DAVID DE ALBA**

11 \_\_\_\_\_  
12 Superior Court Judge

13 **SIGNATURE PURSUANT**  
14 **TO 635 CCP**