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

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14 **In the Matter of the Application for a Key  
Employee License for:**

15 **NADER TAFTY,**  
16 **GEKE-002179**

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18  
19 Respondent.

Case No. CGCC-2017-1218-16

BGC Case No. BGC-HQ2018-00019SL

**STIPULATED SETTLEMENT;  
DECISION AND ORDER**

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21 This Stipulated Settlement resolves the allegations in the Statement of Reasons in this  
22 matter and the issue of Nader Tafty's (Respondent) suitability to hold a key employee license.  
23 The California Department of Justice, Bureau of Gambling Control (Bureau) filed the Statement  
24 of Reasons with the Californian Gambling Control Commission (Commission), alleging  
25 violations of, and lack of suitability for continued licensure under, the Gambling Control Act  
26 (Act) (Bus. & Prof. Code, § 19800 et seq.) and the regulations promulgated thereunder.  
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1 **PARTIES AND JURISDICTION**

2 1. Stephanie Shimazu (Complainant) brought the Statement of Reasons solely in her  
3 official capacity as Director of the Bureau.

4 2. On February 19, 2016, Respondent submitted an Application for Interim Key  
5 Employee License (Application) to the Bureau. Respondent's Interim Key Employee License  
6 No. GEKE-002179 was issued by the Commission on February 23, 2016.

7 3. On or about January 10, 2018, the Bureau submitted its Cardroom Key Employee  
8 Investigative Report on Respondent to the Commission, recommending denial of Respondent's  
9 license.

10 4 On April 12, 2018, the Commission considered the Application and referred it to an  
11 evidentiary hearing pursuant to California Code of Regulations, title 4, section 12054, subdivision  
12 (a)(2).

13 5. On April 12, 2018, Respondent submitted his Notice of Defense to the Commission  
14 and the Bureau, requesting an evidentiary hearing.

15 6. On June 5, 2018, the Bureau filed the Statement of Reasons, laying out why the  
16 Bureau believed Respondent should not be licensed.

17 **ADVISEMENT AND WAIVERS**

18 7. Respondent has carefully reviewed, and has discussed with counsel, the legal and  
19 factual allegations in the Statement of Reasons. Respondent has also carefully reviewed, and has  
20 discussed with counsel, this Stipulated Settlement. Respondent fully understands the terms and  
21 conditions contained within this Stipulated Settlement and the effects thereof.

22 8. Respondent is fully aware of his legal rights in this matter, including: the right to a  
23 hearing before the Commission on his suitability for licensure and all the allegations in the  
24 Statement of Reasons; the right to be represented by counsel of his choice at his own expense; the  
25 right to confront and cross-examine the witnesses against him; the right to present evidence and  
26 testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of  
27 witnesses and the production of documents; the right to apply for reconsideration and court  
28 review of an adverse decision; and all other rights afforded by the Act, the regulations

1 promulgated thereunder, and all other applicable laws.

2 9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and  
3 every right set forth in paragraph 8 above, withdraws his Notice of Defense, and agrees to be  
4 bound by this Stipulated Settlement.

5 **STIPULATED AGREEMENT OF SETTLEMENT**

6 10. The parties have a dispute regarding the allegations in the Statement of Reasons as  
7 follows:

8 a. Respondent admits that he entered into a prior settlement with the Bureau in  
9 2012 related to his owner license application for Delta Casino in Stockton, California.  
10 Respondent believes that the provisions of the 2012 settlement as alleged in the Statement  
11 of Reasons were unclear. Respondent believes that he timely made the \$7,500 payment to  
12 the Bureau referenced in the 2012 settlement and timely provided information required by  
13 the 2012 settlement when the Bureau requested that information.

14 b. Complainant believes that the provisions of the 2012 settlement are clear and  
15 that Respondent failed to timely pay the \$7,500 and provide information in accordance  
16 with the terms of the 2012 settlement.

17 11. For the purposes of resolving the allegations in the Statement of Reasons, the  
18 parties' dispute, and the issue of his suitability for licensure, Respondent knowingly and  
19 voluntarily acknowledges that if the dispute set forth in paragraph 10 above is determined  
20 consistent with Complainant's allegations, that determination will provide a sufficient legal and  
21 factual basis to deny his Application. Because of the uncertainty, the parties enter into this  
22 Stipulated Settlement.

23 12. Upon the effective date of the Decision and Order issued by the Commission  
24 adopting this Stipulated Settlement, Respondent's key employee license shall be approved. The  
25 license shall be subject to various conditions as provided in paragraphs 13 through 15 of this  
26 Stipulated Settlement. Unless the license is revoked or expires sooner, the conditions shall  
27 remain on Respondent's license for the longer of (a) 24 months from the date the key employee  
28 license is approved or (b) the date the key employee license is renewed.

1           13. Respondent agrees that he must notify the Bureau within forty-eight (48) hours of  
2 applying for any gambling-related license or permit of any sort—including but not limited to any  
3 license issued by the Commission, the State of California or any state agency, or any city or  
4 county or city-county within the State of California—that is required by law to work in a  
5 gambling establishment or with a gambling establishment. Respondent agrees that failure to  
6 timely notify the Bureau shall be considered a basis for discipline against his license, including  
7 revocation.

8           14. Respondent agrees that he must respond in writing to Bureau requests for  
9 information within Respondent’s possession, custody, or control within fifteen (15) days of  
10 receipt of such requests. Respondent agrees that failure to timely respond to requests for  
11 information shall be considered a basis for discipline against his license, including revocation.

12           15. Respondent agrees to obey all statutes and regulations related to gambling in  
13 California. Respondent agrees that any failure to obey all statutes and regulations related to  
14 gambling in California shall be considered a basis for discipline against his license, including  
15 revocation.

16           16. The parties agree that this Stipulated Settlement fully resolves their dispute  
17 concerning the Statement of Reasons and Respondent’s suitability for licensure.

18           17. This Stipulated Settlement shall be subject to adoption by the Commission.  
19 Respondent understands and specifically agrees that counsel for the Complainant, and the  
20 Bureau’s staff, may communicate directly with the Commission regarding this Stipulated  
21 Settlement, without notice to, or participation by, Respondent or his counsel, and that no such  
22 communication shall be deemed a prohibited ex parte communication. Respondent specifically  
23 acknowledges and agrees that such communications are permissible pursuant to Government  
24 Code section 11430.30, subdivision (b).

25           18. By signing this Stipulated Settlement, Respondent understands and agrees that he  
26 may not withdraw his agreement or seek to rescind the Stipulated Settlement prior to the time the  
27 Commission considers and acts upon it. If the Commission fails to adopt this Stipulated  
28 Settlement as its Decision and Order, this Stipulated Settlement shall be of no force or effect, and,

1 except for actions taken pursuant to this paragraph and paragraph 17 above, it shall be  
2 inadmissible in any legal action between the parties. The Commission's consideration of this  
3 Stipulated Settlement shall not disqualify it from any further action regarding Respondent's  
4 licensure, including, but not limited to, disposition of the Statement of Reasons by a decision and  
5 order following a hearing on the merits.

6 19. The parties agree that a photocopy, facsimile or electronic copy of this Stipulated  
7 Settlement, including copies with signatures thereon, shall have the same force and effect as an  
8 original.

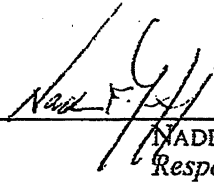
9 20. In consideration of the above admissions and stipulations, the parties agree that the  
10 Commission may, without further notice or formal proceeding, issue and enter the Decision and  
11 Order adopting this Stipulated Settlement.

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1 ACCEPTANCE

2 Respondent has carefully read and considered the above Stipulated Settlement.  
3 Respondent has discussed the above Stipulated Settlement's terms and effects with legal counsel.  
4 Respondent understands the Stipulated Settlement and the effects it will have on his Application  
5 and license. Respondent enters into this Stipulated Settlement voluntarily, knowingly and  
6 intelligently, and agrees to be bound by its terms.

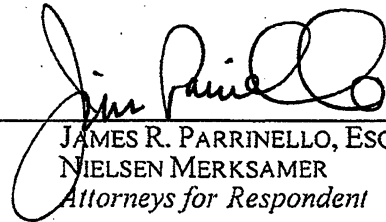
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8 Dated: August 9, 2018

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NADER TAFTY  
Respondent

12 Approved as to Form:

13 Dated: August 9, 2018

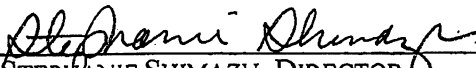
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JAMES R. PARRINELLO, ESQ.  
NIELSEN MERKSAMER  
Attorneys for Respondent

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**COMPLAINANT'S ACCEPTANCE**


Dated: August 8, 2018

  
STEPHANIE SHIMAZU, DIRECTOR  
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: August 8, 2018

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

By:   
COLIN A. WOOD  
Deputy Attorney General  
*Attorneys for the Complainant*

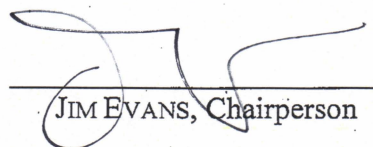
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**DECISION AND ORDER OF THE COMMISSION**

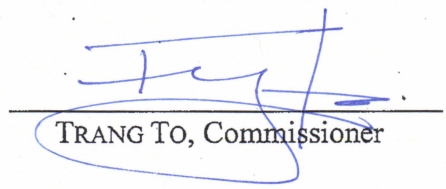
The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties for the case of *In The Matter of the Application for a Key Employee License for: Nader Tafty, GEKE-002179*, CGCC Case No. CGCC-2017-1218-16, BGC Case No. BGC- HQ2018-00019SL, as its final Decision and Order in this matter to be effective upon execution below by its members.

**IT IS SO ORDERED**

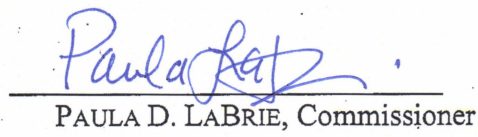
Dated: 8/23/18

  
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JIM EVANS, Chairperson

Dated: 8/23/18

  
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TRANG TO, Commissioner

Dated: 8/23/18

  
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PAULA D. LABRIE, Commissioner