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*Attorneys for Complainant*

11 **BEFORE THE**  
12 **CALIFORNIA GAMBLING CONTROL COMMISSION**  
13 **STATE OF CALIFORNIA**

16 **In the Matter of the First Amended  
Accusation Against:**

17 **Sacramento Casino Royale, LLC,**  
license no. GEOW-003186,  
18 dba: **Casino Royale,**  
license no. GEGE-001295,  
19 500 Leisure Lane  
20 Sacramento, California 95815

21 and

22 **James Kouretas, Managing Member,**  
license no. GEOW-003185

23 [REDACTED]

24 and

25 **William Blanas, Member,**  
license no. GEOW-003187

26 [REDACTED]

28 and

**BGC No.: BGC-HQ2014-00001AC**

**OAH No. 2014110146**

**STIPULATED SETTLEMENT;  
DECISION AND ORDER  
(Sacramento Casino Royale, LLC)**

1 **Faye E. Stearns Living Trust, Member,**  
2 License no. GEOW-003391  
3 **Faye E. Stearns, Trustor, Trustee, Beneficiary,**  
4 license no. GEOW-003392

5 **Stanley Parrish, Trustee,**  
6 license no. GEOW-003393

7  
8 **Respondents.**

9  
10 **STIPULATED SETTLEMENT**

11 **PURPOSE OF THIS STIPULATED SETTLEMENT**

12 This Stipulated Settlement resolves the First Amended Accusation in the above-titled  
13 matter, as it pertains to respondent Sacramento Casino Royale, LLC (Settling Respondent), a  
14 limited liability company that does business as Casino Royale, a licensed gambling  
15 establishment. This Stipulated Settlement does not resolve any of the allegations in the First  
16 Amended Accusation as they pertain to any other respondent. The First Amended Accusation  
17 seeks to discipline Settling Respondent's license for violations of, and lack of suitability for  
18 continued licensing under, the Gambling Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.)  
19 and the regulations promulgated thereunder.

20 **PARTIES**

21 1. Wayne J. Quint, Jr. (Complainant) brought the original Accusation and the First  
22 Amended Accusation solely in his official capacity as the Chief of the California Department of  
23 Justice, Bureau of Gambling Control (Bureau).

24 2. On or about April 28, 2010, the California Gambling Control Commission  
25 (Commission) issued license number GEOW-003186 to Settling Respondent, to own and  
26 operate Casino Royale, a licensed gambling establishment, license number GEOW-001295,  
27 located in Sacramento, California. Those licenses will expire on April 30, 2016, unless  
28 renewed. Settling Respondent's members are: James Kouretas, William Blanas, and the Faye

1 E. Stearns Living Trust (collectively, Members and, individually, Member). Each Member is a  
2 respondent in the First Amended Accusation and a licensee.<sup>1</sup> Each Member's license will  
3 expire on April 30, 2016.

#### 4 JURISDICTION

5 3. On November 3, 2014, Settling Respondent was served with the original  
6 Accusation,<sup>2</sup> as well as a Statement to Respondent (Gov. Code, § 11505, subd. (b)), Request for  
7 Discovery (Gov. Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6 and  
8 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506).

9 4. Settling Respondent filed a timely Notice of Defense.

10 5. On November 26, 2014, Settling Respondent was served with the First Amended  
11 Accusation.

#### 12 ADVISEMENT AND WAIVERS

13 6. Settling Respondent has carefully reviewed, and has discussed with counsel, the  
14 legal and factual allegations in the First Amended Accusation. Settling Respondent has also  
15 carefully reviewed, and has discussed with counsel, this Stipulated Settlement. Settling  
16 Respondent fully understands the terms and conditions contained within this Stipulated  
17 Settlement and the effects thereof.

18 7. Settling Respondent is fully aware of its legal rights in this matter, including: the  
19 right to a hearing on all the allegations in the First Amended Accusation; the right to be  
20 represented by counsel of its choice at its own expense; the right to confront and cross-examine  
21 the witnesses against it; the right to present evidence and testify on its own behalf; the right to  
22 the issuance of subpoenas to compel the attendance of witnesses and the production of

23 <sup>1</sup> Faye E. Stearns (Ms. Stearns) was the trustor, a trustee, and the beneficiary of the Faye  
24 E. Stearns Living Trust (Trust). She was a respondent in the First Amended Accusation. She  
25 passed away. Consequently, on September 23, 2015, Complainant withdrew the First Amended  
26 Accusation as to her. The Trust and its sole trustee, Stanley Parrish, remain as respondents in  
27 the First Amended Accusation.

28 <sup>2</sup> On November 3, 2014, Complainant issued an emergency order that, among other  
things, ordered Settling Respondent to suspend and cease any and all gambling related activities  
at, and close, the gambling establishment. On December 22, 2014, Complainant issued a  
modified emergency order, which remains in effect.

1 documents; the right to apply for reconsideration and court review of an adverse decision; and  
2 all other rights afforded by the California Administrative Procedure Act (Gov. Code, § 11370 et  
3 seq.), the Act, and all other applicable laws.

4 8. Settling Respondent voluntarily, knowingly, and intelligently waives and gives up  
5 each and every right set forth in paragraph 7 above, withdraws its request for a hearing on the  
6 First Amended Accusation, and agrees to be bound by this Stipulated Settlement.

7 **STIPULATED AGREEMENT OF SETTLEMENT**

8 9. For the purposes of resolving the First Amended Accusation and for any other  
9 matter now or in the future involving the Commission or the Bureau, Settling Respondent  
10 admits that all the factual and legal allegations in the First Amended Accusation are true,  
11 accurate, and complete, and that such allegations provide a sufficient legal and factual basis to  
12 discipline its license.

13 10. Settling Respondent understands and agrees that the admissions made in paragraph  
14 9 above may be entered into evidence in any legal proceeding brought or prosecuted by the  
15 Commission or the Bureau, including the First Amended Accusation to the extent that it is  
16 pending, as if those admissions were made under oath and penalty of perjury. The admissions  
17 made by Settling Respondent herein are only for the purposes of this proceeding, or any other  
18 future proceedings in which the Bureau, the Commission, or any successor agency is involved  
19 regarding gambling activities, and shall not be otherwise admissible in any criminal, civil, or  
20 unrelated administrative proceeding.

21 11. Upon the effective date of the Decision and Order issued by the Commission  
22 adopting this Stipulated Settlement, Settling Respondent's state gambling license will be  
23 suspended. Settling Respondent agrees that it will continue to suspend all gambling related  
24 activities at, and keep closed, the gambling establishment until a sale of its assets is completed.  
25 Settling Respondent acknowledges, understands, and agrees that its state gambling license shall  
26 remain effective solely to preserve its existence for purposes of Business and Professions Code  
27 sections 19962 and 19963.

28

1           12. Each of persons signing the Settling Respondent's Acceptance, below, warrants  
2 and represents: (a) he or she is fully authorized to sign this Stipulated Settlement; (b) the  
3 persons so signing collectively hold interests exceeding 50 percent of the LLC's membership  
4 interests; and (c) the LLC may act pursuant to actions approved by its members holding more  
5 than 50 percent of its membership interests. Joyce Kouretas warrants and represents that she  
6 has a power of attorney for James Kouretas and is fully authorized and empowered to sign this  
7 Stipulated Settlement on his behalf.

8           13. The parties agree that this Stipulated Settlement fully resolves their dispute  
9 concerning the First Amended Accusation, and that, except upon default, no further discipline,  
10 including revocation or suspension, shall be sought against Settling Respondent based solely  
11 upon the allegations contained within the First Amended Accusation.

12           14. This Stipulated Settlement shall be subject to adoption by the Commission.  
13 Settling Respondent understands and specifically agrees that counsel for the Complainant, and  
14 the Bureau's staff, may communicate directly with the Commission regarding this Stipulated  
15 Settlement, without notice to, or participation by, Settling Respondent or its counsel, and that no  
16 such communication shall be deemed a prohibited ex parte communication. Settling  
17 Respondent specifically acknowledges and agrees that such communications are permissible  
18 pursuant Government Code section 11430.30, subdivision (b).

19           15. By signing this Stipulated Settlement, Settling Respondent understands and agrees  
20 that it may not withdraw its agreement or seek to rescind the Stipulated Settlement prior to the  
21 time the Commission considers and acts upon it. If the Commission fails to adopt this  
22 Stipulated Settlement as its Decision and Order, this Stipulated Settlement shall be of no force  
23 or effect, and, except for actions taken pursuant to this paragraph and paragraph 14 above, it  
24 shall be inadmissible in any legal action between the parties. The Commission's consideration  
25 of this Stipulated Settlement shall not disqualify it from any further action regarding Settling  
26 Respondent's licensure, including, but not limited to, disposition of the First Amended  
27 Accusation by a decision and order following a hearing on the merits.

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16. 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.

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

**SETTLING RESPONDENT'S ACCEPTANCE**

Settling Respondent has carefully read and considered the above Stipulated Settlement, Settling Respondent discussed its terms and effects with legal counsel. Settling Respondent also understands the Stipulated Settlement and the effects it will have on Settling Respondent's state gambling license. Settling Respondent further understands that its state gambling license will be suspended. Settling Respondent enters into this Stipulated Settlement voluntarily, knowingly and intelligently, and agrees to be bound by its terms.

Dated: February \_\_, 2016

SACRAMENTO CASINO ROYALE, LLC  
A Limited Liability Company

By Joyce Kouretas - atty in fact  
James Kouretas, by Joyce Kouretas  
His attorney-in-fact  
Its Managing Member

Approved as to Form


Dated: February 17 2016

Christine E. Jacob  
Christine E. Jacob  
Hansen, Kohls, et al.  
Attorney for Settling Respondent

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We consent to Settling Respondent's Acceptance:

Dated: February 16, 2016

  
William Blanas, Member

Dated: February \_\_, 2016

Faye E. Stearns Living Trust  
Member

By \_\_\_\_\_  
Stanley Parrish  
Its Trustee

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We consent to Settling Respondent's Acceptance:

Dated: February \_\_, 2016

William Blanas, Member

Dated: February 9, 2016

Faye E. Stearns Living Trust  
Member

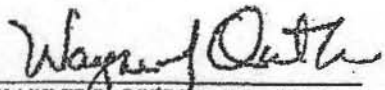
By Stanley R. Carrish  
Stanley Carrish  
Its Trustee



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COMPLAINANT'S ACCEPTANCE


Dated: February 19, 2016

  
WAYNE J. QUINT, JR., Chief  
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: February 19, 2016

KAMALA D. HARRIS  
Attorney General of California  
SARA J. DRAKE  
Senior Assistant Attorney General  
RONALD L. DIEDRICH  
Deputy Attorney General

  
WILLIAM P. TORNGREN  
Deputy Attorney General  
*Attorneys for the Complainant*

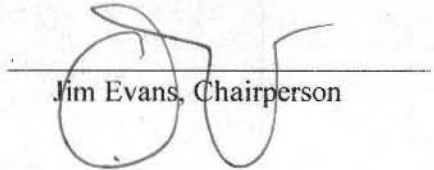
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**DECISION AND ORDER OF THE COMMISSION**

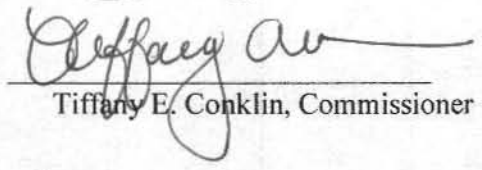
The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties as it pertains to respondent Sacramento Casino Royale, LLC, for the case of *In the Matter of the First Amended Accusation Against: Sacramento Casino Royale, LLC, et al.*, BGC Case No. HQ2014-00001AC, as its final Decision and Order in this matter to be effective upon execution below by its members.

**IT IS SO ORDERED**

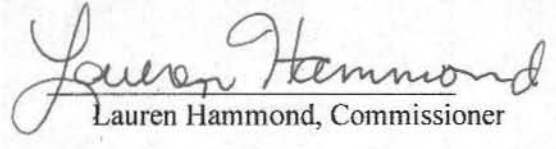
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Jim Evans, Chairperson

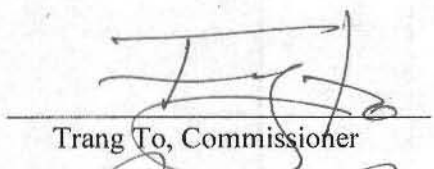
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Tiffany E. Conklin, Commissioner

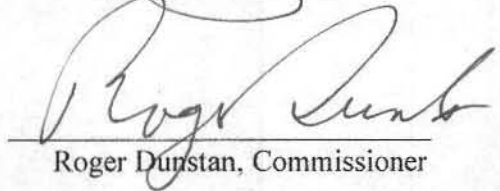
Dated: 4/14/2016

  
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Lauren Hammond, Commissioner

Dated: 4/14/16

  
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Trang To, Commissioner

Dated: 4/14/16

  
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Roger Dunstan, Commissioner