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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
(Faye E. Stearns Living Trust and Stanley
Parrish)**

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Faye E. Stearns Living Trust, Member,
License no. GEOW-003391
Faye E. Stearns, Trustor, Trustee, Beneficiary,
license no. GEOW-003392
[REDACTED]
Stanley Parrish, Trustee,
license no. GEOW-003393
[REDACTED]

Respondents.

STIPULATED SETTLEMENT

PURPOSE OF THIS STIPULATED SETTLEMENT

This Stipulated Settlement resolves the First Amended Accusation in the above-titled matter, as it pertains to respondents the Faye E. Stearns Living Trust (Trust) and Stanley Parrish (Mr. Parrish), the Trust's trustee (collectively, Settling Respondents).¹ The Trust is a member and an owner of Sacramento Casino Royale, LLC (LLC). The LLC is a limited liability company that does business as Casino Royale, a licensed gambling establishment. This Stipulated Settlement does not resolve any of the allegations in the First Amended Accusation as they pertain to any other respondent. The First Amended Accusation seeks to discipline Settling Respondents' licenses for violations of, and lack of suitability for continued licensing under, the Gambling Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.) and the regulations promulgated thereunder.

¹ Faye E. Stearns (Ms. Stearns) was the trustor, a trustee, and the beneficiary of the Trust. She was a respondent in the First Amended Accusation. She passed away. Consequently, on September 23, 2015, Complainant withdrew the First Amended Accusation as to her. Mr. Parrish is the sole remaining trustee. The Settling Respondents remain as respondents in the First Amended Accusation.

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PARTIES

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

2. On or about April 28, 2010, the California Gambling Control Commission (Commission) issued a state gambling license to the LLC. Settling Respondents are endorsed on that license. The Trust was issued license number GEOW-003391; Mr. Parrish was issued license number GEOW-003393. Settling Respondents' licenses will expire on April 30, 2016.

JURISDICTION

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

4. Settling Respondents filed a timely Notice of Defense.

5. On November 26, 2014, Settling Respondents were served with the First Amended Accusation.

ADVISEMENT AND WAIVERS

6. Settling Respondents have carefully reviewed, and have discussed with counsel, the legal and factual allegations in the First Amended Accusation. Settling Respondents have also carefully reviewed, and have discussed with counsel, this Stipulated Settlement. Settling Respondents fully understand the terms and conditions contained within this Stipulated Settlement and the effects thereof.

7. Each Settling Respondent is fully aware of its or his legal rights in this matter, including: the right to a hearing on all the allegations in the First Amended Accusation; the right to be represented by counsel of its or his choice at his own expense; the right to confront

² On November 3, 2014, Complainant issued an emergency order that, among other things, ordered the LLC 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 and cross-examine the witnesses against it or him; the right to present evidence and testify on its
2 or his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses
3 and the production of documents; the right to apply for reconsideration and court review of an
4 adverse decision; and all other rights afforded by the California Administrative Procedure Act
5 (Gov. Code, § 11370 et seq.), the Act, and all other applicable laws.

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

9 **STIPULATED AGREEMENT OF SETTLEMENT**

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

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

23 11. Upon the effective date of the Decision and Order issued by the Commission
24 adopting this Stipulated Settlement, each Settling Respondent's state gambling license will be
25 revoked.

26 12. Mr. Parrish warrants and represents that he is the Trust's trustee, is fully
27 authorized and empowered to sign this Stipulated Settlement on the Trust's behalf, and is acting
28 as trustee on behalf of, and to bind, the Trust in all respects.

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

5 14. This Stipulated Settlement shall be subject to adoption by the Commission. Each
6 Settling Respondent understands and specifically agrees that counsel for the Complainant, and
7 the Bureau's staff, may communicate directly with the Commission regarding this Stipulated
8 Settlement, without notice to, or participation by, each Settling Respondent or its or his counsel,
9 and that no such communication shall be deemed a prohibited ex parte communication. Each
10 Settling Respondent specifically acknowledges and agrees that such communications are
11 permissible pursuant Government Code section 11430.30, subdivision (b).

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

21 16. The parties agree that a photocopy, facsimile or electronic copy of this Stipulated
22 Settlement, including copies with signatures thereon, shall have the same force and effect as an
23 original.

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

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ACCEPTANCE

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

Dated: February 9, 2016

Faye B. Stearns Living Trust

By Stanley R. Parrish
Stanley Parrish
Its Trustee

Dated: February 9, 2016

Stanley R. Parrish
Stanley Parrish

Approved as to Form

Dated: February 10, 2016

Tim O'Connor
Tim O'Connor
Attorney for Settling Respondents

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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

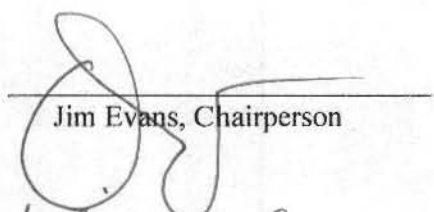
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DECISION AND ORDER OF THE COMMISSION

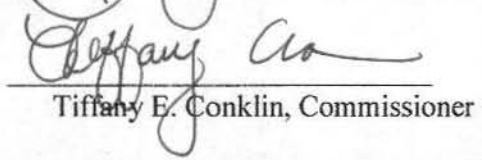
The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties as it pertains to respondents the Faye E. Stearns Living Trust and Stanley Parrish for the case of *In the Matter of the First Amended Accusation Against: Sacramento Casino Royale, LLC, et al.*, 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

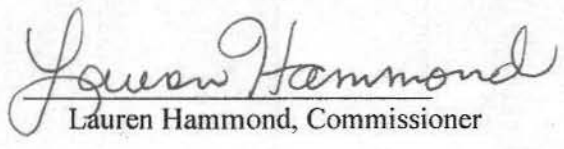
Dated: 4/14/16


Jim Evans, Chairperson

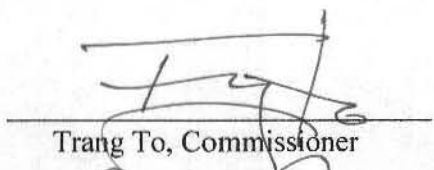
Dated: 4/14/2016


Tiffany E. Conklin, Commissioner

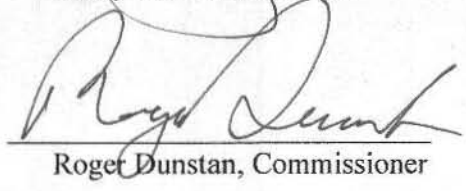
Dated: 4/14/2016


Lauren Hammond, Commissioner

Dated: 4/14/16


Trang To, Commissioner

Dated: 4/14/16


Roger Dunstan, Commissioner