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

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

15 **ARISE, LLC and DARRELL STUART**  
16 **MIERS, its Managing Member**

17 **Street Address:**  
18 **1033 Van Ness Avenue, Fresno, CA 93721**

19 **REGISTRATION NUMBER TPPP-000067.**  
20

**BGC Case No. HQ2013-00009AL**

**OAH No.**

**STIPULATED SETTLEMENT;**  
**DECISION AND ORDER**

21 **STIPULATED SETTLEMENT**

22 **PARTIES**

23 1. Wayne J. Quint, Jr. (Complainant) brought the above-titled Accusation and  
24 Statement of Issues solely in his official capacity as the Chief of the California Department of  
25 Justice, Bureau of Gambling Control (Bureau).

26 2. At all times relevant herein, Arise, LLC (Arise) was a third party provider of  
27 proposition player services with Registration Number TPPP-000067. Darell Stuart Miers  
28 (Miers) is Arise's managing member and is endorsed on its registration. Arise and Miers are

1 referred to collectively herein as "Respondents" And individually as "Respondent."

2 3. On or about November 25, 2009, the Bureau received a Request for Conversion of  
3 a Third Party Proposition Player Services Registration to a License (Application). The  
4 Application originally was submitted by Respondents to the California Gambling Control  
5 Commission (Commission).

6 4. At its August 30, 2012, meeting, the Commission voted unanimously to refer  
7 Respondents' Application, along with the applications of other applicants who claimed interests  
8 in Arise, LLC (Arise),<sup>+</sup> to an evidentiary hearing in accordance with California Code of  
9 Regulations, title 4, section 12050, subdivision (b). By letter dated January 30, 2013, the  
10 Commission advised all parties that it had vacated its referral of August 30, 2012, and referred  
11 the matter to a hearing under the Administrative Procedure Act pursuant to Business and  
12 Professions Code section 19825.

13 5. Respondents' registration, number TPPP-000067, has been extended through, and  
14 expires on, September 30, 2015.

#### 15 JURISDICTION

16 6. On December 2, 2013, each Respondent was served with the above-titled  
17 Accusation and Statement of Issues; as well as a Statement to Respondent (Gov. Code, § 11505,  
18 subd. (b)); Request for Discovery (Gov. Code, § 11597.6); copies of Government Code sections  
19 11507.5, 11507.6 and 11507.7; and two copies of the Notice of Defense form (Gov. Code, §§  
20 11505 & 11506).

21 7. On or about December 10, 2013, Respondents caused a timely Notice of Defense  
22 to be delivered to Complainant's attorneys.

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26 <sup>1</sup> ~~The only remaining applicants are Respondents, Leonard Weinsaft, and Robert~~  
27 ~~Skillin. Pursuant to an arbitration award and Stipulations for Entry of Judgment Pursuant to~~  
28 ~~Petition To Confirm Arbitration Award, Messrs. Weinsaft and Skillin no longer hold Arise~~  
~~membership interests. The Bureau's action on their applications will be determined in a~~  
~~separate proceeding.~~

**ADVISEMENT AND WAIVERS**

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8. Each Respondent has reviewed carefully, and has discussed with counsel, the legal and factual allegations in the Accusation and Statement of Issues. Each Respondent also has reviewed carefully, and has discussed with counsel, this Stipulated Settlement. Each Respondent fully understands the terms and conditions contained within this Stipulated Settlement and the effects thereof.

9. Each Respondent is fully aware of its or his legal rights in this matter. Those rights include: the right to a hearing on all the allegations in the Accusation and Statement of Issues; the right to be represented by counsel of its or his choice at its or his own expense; the right to confront and cross-examine the witnesses against it or him; the right to present evidence and testify on its or 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 of an adverse decision; and all other rights afforded by the California Administrative Procedure Act (Gov. Code, § 11370 et seq.), the California Gambling Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.), and all other applicable laws.

10. Each Respondent voluntarily, knowingly and intelligently waives and gives up each and every right set forth in paragraph 9 above, withdraws its or his request for a hearing on the Accusation and Statement of Issues, and agrees to be bound by this Stipulated Settlement.

**STIPULATED AGREEMENT OF SETTLEMENT**

11. Respondents admit the truth of each and every charge and allegation made as to each of them in the Accusation and Statement of Issues in this BGC Case No. HQ2013-00009AL. The admissions made by Respondents herein are only for the purposes of this proceeding, or any other related proceedings in which the Bureau or the Commission is involved or that involve licensed gambling activities, and shall not be admissible in any criminal or civil proceeding.

12. Respondents, jointly and severally, agree to pay the Bureau a fine in the amount of \$100,000.00 (Current Fine) for the violations alleged in the Accusation and Statement of Issues and admitted to in paragraph 11 above. Respondents further agree that the Current Fine shall be

1 paid in monthly installments in accordance with this Stipulated Settlement. Respondents  
2 understand and agree that a default in paying the full amount of the Current Fine or any  
3 installment in a timely manner shall constitute a sufficient basis, in and of itself, to revoke their  
4 third party proposition player licenses.

5 13. Respondents, jointly and severally, also agree to pay the Bureau the sum of  
6 \$37,500.00 (Cost Recovery) as the reasonable costs of investigation and prosecution of this  
7 matter as provided for in Business and Professions Code section 19930. Respondents further  
8 agree that the Cost Recovery shall be paid in monthly installments in accordance with this  
9 Stipulated Settlement. Respondents understand and agree that a default in paying the full  
10 amount of the Cost Recovery or any installment in a timely manner shall constitute a sufficient  
11 basis, in and of itself, to revoke their third party proposition player licenses.

12 14. Respondents, jointly and severally, also agree to pay the Bureau an additional fine  
13 in the amount of \$150,000.00 (Additional Fine) for the violations alleged in the Accusation and  
14 Statement of Issues in the event that either Respondent (a) defaults in paying the Current Fine  
15 or Cost Recovery or any installment in a timely manner or (b) fails to comply with the Act or  
16 any regulation adopted thereunder in any material respect before the Current Fine and Cost  
17 Recovery are paid in full. Respondents understand and agree that the failure to comply with the  
18 Act or any regulation adopted thereunder in any material respect before the Current Fine and  
19 Cost Recovery are paid in full shall constitute a sufficient basis, in and of itself, to revoke their  
20 third party proposition player licenses.

21 15. Respondents agree that the installments to pay the Current Fine and the Cost  
22 Recovery as provided in paragraphs 12 and 13 above shall be (a) initially in the total amount of  
23 \$5,000.00 each month for 12 months and (b) then in the total amount of \$7,000 each month.  
24 The installments shall begin within 30 calendar days of the date the Commission adopts this  
25 Stipulated Settlement and shall continue and must be paid on or before the 30th day thereafter  
26 until the Current Fine and the Cost Recovery are paid in full. Each installment shall be applied  
27 pro rata to the Current Fine and the Cost Recovery. The Current Fine and the Cost Recovery  
28

1 may be prepaid at any time no sooner than six months after the Commission adopts this  
2 Stipulated Settlement.

3 16. Respondents agree that it shall be a default under this Stipulated Settlement to (a)  
4 fail to pay the Current Fine or the Cost Recovery or any installment when due or (b) fail  
5 otherwise to comply with any term of this Stipulated Settlement. The Bureau agrees, and shall  
6 be required, to give written notice of any default. Except as provided herein, Respondents shall  
7 have no right, privilege, or opportunity to cure a default. Respondents, however, shall have the  
8 right to cure, within five calendar days of receipt of notice of default, up to two, and no more  
9 than two, defaults arising from the failure to pay a monthly installment when due.

10 17. Upon an uncured default, all payments under this Stipulated Settlement shall be  
11 accelerated and become immediately due and payable. Respondents further agree that upon an  
12 uncured default, any third party proposition player license issued by the Commission to them  
13 shall be deemed to be revoked automatically and immediately and shall be of no further effect.  
14 Each Respondent expressly waives any right to hearing with respect to, or arising out of, any  
15 license revocation based upon a default in paying the Current Fine, the Cost Recovery, or the  
16 Additional Fine, or based upon the allegations of the Accusation and Statement of Issues that  
17 are admitted to in paragraph 11 above. The parties understand and acknowledge that  
18 Respondents may request a hearing as to any other basis for default.

19 18. The parties agree that in light of Respondents' admission of wrongdoing as noted  
20 in paragraph 11 above, and Respondents' acceptance of the penalties for that behavior as noted  
21 in paragraphs 12 through 14 above, each Respondent's Application should now be approved and  
22 a third party proposition player license granted.

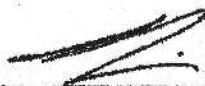
23 19. The parties agree that this Stipulated Settlement fully resolves their dispute  
24 concerning the Accusation and Statement of Issues, and that, except upon uncured default, no  
25 further discipline, including revocation, suspension, or denial shall be sought against  
26 Respondents' licenses based solely upon the allegations contained within the Accusation and  
27 Statement of Issues.  
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party proposition player license. I enter into this Stipulated Settlement voluntarily, knowingly and intelligently, and agree to be bound by its terms.

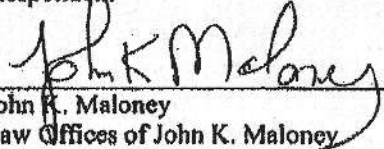
Dated: December 1<sup>st</sup>, 2014.

  
\_\_\_\_\_  
Darrell Stuart Miers  
Respondent

Dated: December 1<sup>st</sup>, 2014.

Arise, LLC  
  
By   
\_\_\_\_\_  
Darrell Stuart Miers  
Its Managing Member  
Respondent

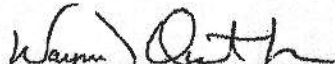
Dated: December 1, 2014.

  
\_\_\_\_\_  
John K. Maloney  
Law Offices of John K. Maloney  
Attorney for Respondents

**COMPLAINANT'S ACCEPTANCE**

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Dated: December 7, 2014.

  
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: December 8, 2014.

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

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



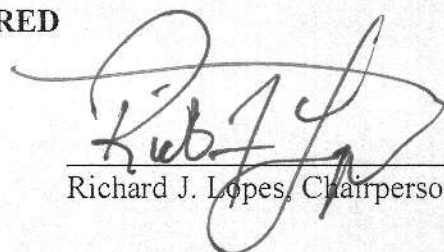
1 **DECISION AND ORDER OF THE COMMISSION**

2 The California Gambling Control Commission hereby adopts the foregoing Stipulated  
3 Settlement of the parties for the case of *In the Matter of the Accusation and Statement of Issues*  
4 *Against: Arise, LLC and Darrell Stuart Miers, its Managing Member*, BGC Case No. HQ2013-  
5 00009AL, as its final Decision and Order in this matter to be effective upon execution below by  
6 its members.

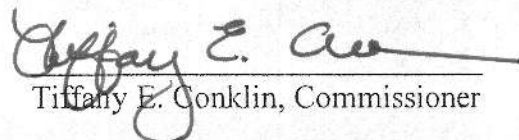
7 Accordingly, also effective upon execution below by the Commission members, the  
8 California Gambling Control Commission approves the Request for Conversion of a Third  
9 Party Proposition Player Services Registration to a License as to Arise, LLC and Darrell Stuart  
10 Miers and grants a license to provide third-party proposition player services at licensed  
11 gambling establishments subject to the terms and conditions of the foregoing Stipulated  
12 Settlement.

13 **IT IS SO ORDERED**

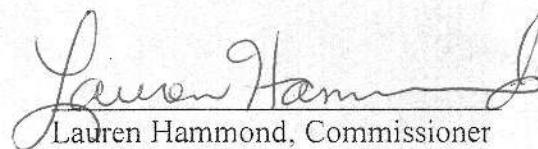
14  
15 Dated: 3/12/2015

  
Richard J. Lopes, Chairperson

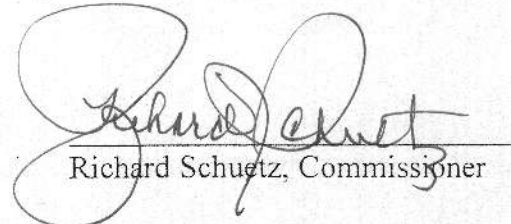
16  
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18 Dated: 3/12/2015

  
Tiffany E. Conklin, Commissioner

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21 Dated: 3/12/2015

  
Lauren Hammond, Commissioner

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24 Dated: 3/12/2015

  
Richard Schuetz, Commissioner