

Robert J. Del Tufo
Attorney General
Attorney for the State of New Jersey
Richard J. Hughes Justice Complex
CN-047
25 Market Street
Trenton, New Jersey 08625

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CASINO CONTROL COMMISSION
LEGAL DIVISION

By: Thomas N. Auriemma
Kevin F. O'Toole
Deputy Attorneys General
609-984-2481

Joseph A. Fusco, Esq.
Ribis, Graham & Curtin
Attorney for Respondent
Atlantic City, NJ 08401
NJ609-347-0600

STATE OF NEW JERSEY
CASINO CONTROL COMMISSION
DOCKET NO.: 91-1060-VC

STATE OF NEW JERSEY, :
DEPARTMENT OF LAW AND :
PUBLIC SAFETY, DIVISION :
OF GAMING ENFORCEMENT, :
Complainant :
vs. :
TRUMP'S CASTLE ASSOCIATES :
LIMITED PARTNERSHIP, d/b/a :
TRUMP CASINO RESORT BY THE BAY :
Respondent :

STIPULATION OF FACTS
AND
SETTLEMENT AGREEMENT

With the above-captioned matter (which Complaint is being filed simultaneously herewith) having been discussed by and between the parties involved, Robert J. Del Tufo, Attorney General of New Jersey, Attorney for Complainant, State of New Jersey, Department of Law and Public Safety, Division of Gaming Enforcement, by Thomas N. Auriemma, Deputy Attorney General and Joseph A. Fusco, Esq.,

Ribis, Graham & Curtin, Attorney for Respondent Trump's Castle Associates Limited Partnership d/b/a/ Trump Castle Casino Resort by the Bay, the facts agreed upon and stipulated to by Complainant and Respondent are hereby set forth below:

SERVICE OF PROCESS

Respondent acknowledges receipt of the Complaint in the matter and waives any objections that it might have to service of process.

PRELIMINARY FACTS

1. Respondent Trump's Castle Associates Limited Partnership d/b/a Trump Castle Casino Resort by the Bay (hereinafter "Castle"), is a limited partnership organized under the laws of the State of New Jersey on May 24, 1985 by Donald J. Trump and Trump Castle Hotel and Casino, Inc. Mr. Trump beneficially owns 100% of Respondent.

2. Castle owns and operates a hotel casino and does now and did at all times referenced herein, maintain its principal place of business at Huron Avenue and Brigantine Boulevard in the City of Atlantic City, County of Atlantic and State of New Jersey.

3. Castle is the holder of a plenary casino license issued to it by the New Jersey Casino Control Commission (hereinafter the

"Commission"), authorizing it to operate a casino hotel in accordance with the Casino Control Act, N.J.S.A. 5:12-1 et seq, (hereinafter the "Act") and the regulations promulgated thereunder. Said license was issued to Castle effective June 19, 1985 and Castle has conducted its casino hotel operations pursuant to said license continually to date since that time, including all times referenced herein.

4. Castle is the holder of, and operates pursuant to, a Certificate of Operation effective June 19, 1985 and has conducted its casino hotel operations pursuant to same continually to date since that time including all times referenced herein. Said Certificate of Operation entitles Castle to operate a casino hotel in accordance with the Act and the regulations promulgated thereunder.

FACTS PERTAINING TO CHIP PURCHASE

December 17, 1990

5. On Monday, December 17, 1990, Castle was able to pay the installment of interest then due and payable on certain public bonds, which payment was funded from cash on hand and, in part, with the proceeds of a deposit in the amount of \$3,500,000 made by Fred Trump with the Castle casino cage.

6. A certified check payable to Castle in the amount of \$3,350,000 drawn on the account of Fred C. Trump at Manufacturers Hanover Trust Company in New York was deposited at the Castle cage by Howard Snyder "as attorney for" Fred C. Trump.

7. An application was completed with the information required to establish a "front money account" in the name of Fred C. Trump listing "Howard Snyder as attorney for" Fred C. Trump.

8. The "Front Money Account" application was signed in the name of "Howard Snyder as attorney for Fred Trump".

9. A customer deposit withdrawal for \$3,350,000 was prepared by a Castle pit clerk against the account of Fred Trump.

10. A Castle dealer at a blackjack table paid the entire \$3,350,000 amount in 670 gray \$5,000 chips to Howard Snyder who placed them in a small case. This transaction was videotaped and fully documented by Castle.

11. No gambling activity took place by Howard Snyder on December 17, 1990 with the aforementioned chips.

12. No gambling activity took place by Fred Trump on December 17, 1990 with the aforescribed chips.

13. Fred Trump was not present at Castle on December 17, 1990.

December 18, 1990

14. On Tuesday, December 18, 1990, a bank wire transfer in the amount of \$150,000 was sent by Manufacturers Hanover Trust Company in New York to the Castle bank account.

15. The \$150,000 was deposited to the Fred Trump front money account described in paragraph 9 and a customer deposit voucher in that amount was signed in the name of "Howard Snyder as attorney for Fred Trump".

16. Included with the above described wire transfer documents was a copy of a written "Power-of-Attorney" agreement between Fred Trump as principal and Howard Snyder as attorney-in-fact dated December 17, 1990.

17. Thereafter on December 18, 1990, a customer deposit withdrawal was prepared by a Castle pit clerk and Howard Snyder received \$150,000 in 30 gray gaming chips in a transaction videotaped and fully documented by Castle.

18. Neither Howard Snyder nor Fred Trump gambled at Trump's Castle with the \$150,000 in chips received on December 18, 1990.

19. Fred Trump was not present at Castle on December 18, 1990.

20. As of the present date, none of the \$3,500,000 in Castle chips received by Howard Snyder have been redeemed.

21. During January 1991, the Division of Gaming Enforcement (hereafter the "Division") advised Castle in writing that it considered Fred Trump to be a financial source of that entity by virtue of the mid-December 1990 chip transactions.

22. During February 1990, Fred Trump, at the request of the Division submitted a personal history disclosure form and the Division commenced a financial source investigation. To date, the Division has received the full cooperation of Castle and Fred Trump with respect to the investigation.

IT IS THEREFORE AGREED AND STIPULATED by and between the parties that the facts stated herein are true and did, in fact, occur.

ADMISSIONS OF LIABILITY

The following are admissions by Respondent Castle to all areas

of liability pled in the Division Complaint which is being filed with the Commission simultaneously with this Settlement Agreement.

A. By receiving \$3.5 million during December 1990 without prior notice to the Commission from a financial backer or holder of evidence of indebtedness who had not yet qualified or applied for qualification as a "financial source", Respondent Castle violated N.J.S.A. 5:12-84b and 95.12a and paragraph 24 of Commission Resolution #89-122.

B. Because the Castle casino internal control system approved by the Commission does not expressly contemplate its cashier's cage receiving front money deposits from and disbursing gaming chips to a patron through an "attorney-in-fact" for such patron, Respondent Castle by so receiving such deposits and disbursing such gaming chips did violate the N.J.S.A. 5:12-99b requirement that no casino licensee shall alter in fact its internal controls.

IMPOSITION OF PENALTY

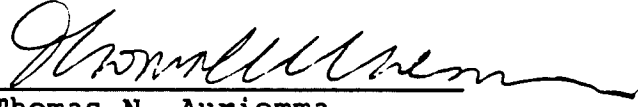
Respondent Castle shall pay the sum of thirty thousand dollars (\$30,000) as directed by the Commission as a civil penalty pursuant to N.J.S.A. 5:12-129(5) for the aforementioned violations of N.J.S.A. 5:12-84b, 95.12a and 99b and paragraph 24 of Commission Resolution 89-122 in full and final settlement of the allegations

set forth in the Complaint filed simultaneously with this Settlement Agreement.

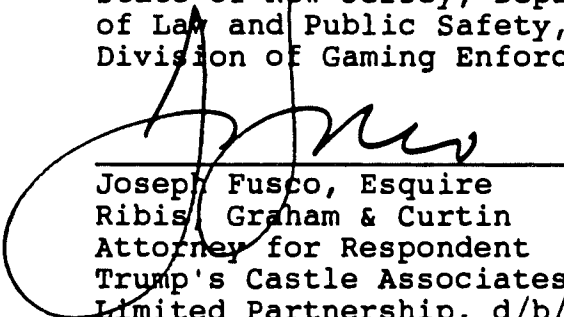
IT IS THEREFORE AGREED AND STIPULATED by and between the parties that, in recognition of the foregoing, this Stipulation shall be subject to the approval and acceptance of the Commission, and shall be null and void if it is not approved and accepted by the Commission.

The undersigned consent to the form and entry of this Stipulation of Facts and Admissions of Liability.

DATED: April 3, 1991


Thomas N. Auriemma
Deputy Attorney General
Attorney for Complainant
State of New Jersey, Department
of Law and Public Safety,
Division of Gaming Enforcement

DATED: April 3, 1991


Joseph Fusco, Esquire
Ribis, Graham & Curtin
Attorney for Respondent
Trump's Castle Associates
Limited Partnership, d/b/a Trump
Castle Casino Resort by the Bay

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