

October 30, 2006

## **GARY S. MINARD AND IQ FUND BANNED FROM GAMING FOR LIFE**

BISMARCK – Attorney General Wayne Stenehjem has resolved the state's lawsuit against Gary S. Minard and IQ Fund with an agreement permanently banning Minard from applying for a gaming license and from operating or being involved in charitable gaming in North Dakota. The ban extends to any of Minard's business interests. Minard was also forced to distribute \$64,546 to charity and pay \$15,000 to the Attorney General in lieu of civil penalties.

Minard operated IQ Fund, formerly known as Pinto Spirit Development and Bear Soldier Industries, which had run a charitable gaming operation in Bismarck. In 2004 Minard obtained a gaming license for a location in Fargo; but, a subsequent investigation by the Attorney General's Gaming Division concluded Minard had obtained the license by fraud, namely by misrepresenting the existence of \$57,000 of trust funds which were to be held for distribution to charity. The license was surrendered later that year.

The lawsuit also alleged Minard knowingly filed false Gaming tax returns, illegally transferred trust funds, made illegal deposits and withdrawals from corporate accounts, set up a sham bank account in Minnesota to deceive the Attorney General, failed to provide information to the Attorney General, and failed to make charitable distributions as required by law.

"There is no place for dishonest people in charitable gaming," said Stenehjem, "Fortunately, Minard's lies and mismanagement were quickly discovered and addressed with prompt enforcement action. Maintaining the integrity of charitable gaming is a top priority for the Gaming Division," Stenehjem continued.

Assistant Attorney General James Patrick Thomas handled the lawsuit and negotiations on behalf of the state.