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GAMBLING COMMISSION  
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In the Matter of the Suspension or Revocation of )  
 the Licenses to Conduct Gambling Activities of: ) NO. CR 2009-01397  
 )  
 Gaming Distributors ) **SETTLEMENT ORDER**  
 Kent, WA, )  
 )  
 Licensee. )  
 \_\_\_\_\_ )

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**FEB 11 2010**  
 HEADQUARTERS OFFICE OF  
 ADMINISTRATIVE HEARINGS

This Settlement Order is entered into between the Washington State Gambling Commission and Gaming Distributors. The Gambling Commission is represented by H. Bruce Marvin, Assistant Attorney General, and Brenda Bono, Staff Attorney of the Communications and Legal Division. The licensee is represented by Ryan Buzard, Managing Partner.

I.

The Washington State Gambling Commission issued Gaming Distributors the following licenses:

- Number 20-00197 Authorizing Class "B" Manufacturer Activity.
- Number 21-00243 Authorizing Class "B" Distributor Activity.

The licenses expire on September 30, 2010, and were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

The Director issued Notice of Charges and Opportunity for Adjudicative Proceeding on November 25, 2009, seeking suspension of Gaming Distributors licenses. On December 18, 2009, the Commission received the licensee's Application for Adjudicative Proceeding and Request for Hearing.

III.

The following is a summary of the facts and violations charged in the Notice of Administrative Charges and Opportunity for Adjudicative Proceedings:

**SUMMARY:**

The licensee sold gambling equipment to an unlicensed person on Craigslist.

## **VIOLATIONS:**

### **RCW 9.46.075 Denying, Suspending or Revoking a License states:**

The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsection applies.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the Commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any Commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

### **WAC 230-03-085(1) Denying, suspending, or revoking an application, license or permit states:**

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsection applies.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

### **WAC 230-06-110 Failure to Closely Control Gambling Equipment in Possession states:**

(The following subsections apply.)

(1) All licensees and persons authorized to possess gambling equipment must closely control the gambling equipment in their possession.

(2) Before selling gambling equipment, licensees must ensure that the buyer possesses a valid gambling license.

### **WAC 230-16-190 Sales Invoices for Manufacturers and Distributors states:**

Manufacturers and distributors must document each sale of equipment or services, any return or refund, or any other type of transfer of punch boards, pull-tabs, pull-tab dispensers, or bingo equipment, including bingo cards, with a standard sales invoice.

**Sales invoices and credit memos** - These invoices and credit memos must:

(1) Be prenumbered sequentially at the time of purchase, using not less than four digits. Manufacturers and distributors may use computer generated numbering systems if:

(a) The system numbers the invoices and credit memos sequentially; and

(b) The manufacturers and distributors use the same system for all sales; and

(c) The manufacturers and distributors must not use a manual override function; and

(2) Record:

(a) The date of sale. Distributors must also enter the date of delivery if different from the date of sale; and

(b) The customer's name and complete business address; and

(c) A full description of each item sold or service provided, including the I.D. stamp number for each item, if attached; and

(d) The quantity and price of each item, including each merchandise prize for punch boards or pull-tabs; and

(e) The gross amount of each sale, including all discount terms and the total dollar amount of any discount; and

(3) Have three parts including, at least:

(a) The original, which must be given to the customer; and

(b) One which must be filed by customer name; and

(c) One which must be filed by invoice number or in an electronic sales journal, if we approve it.

#### IV.

The licensee acknowledges that he has read the Notice of Administrative Charges and understands the facts and violations contained in it. The licensee has waived its right to a hearing based on the terms and conditions of this Settlement Order. The licensee further agrees to the following sanctions:

Gaming Distributors will surrender its gambling licenses no later than **February 16, 2010**, and **mail along with the signed Settlement Order** to the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
P.O. Box 42400  
Olympia, WA 98504-2400

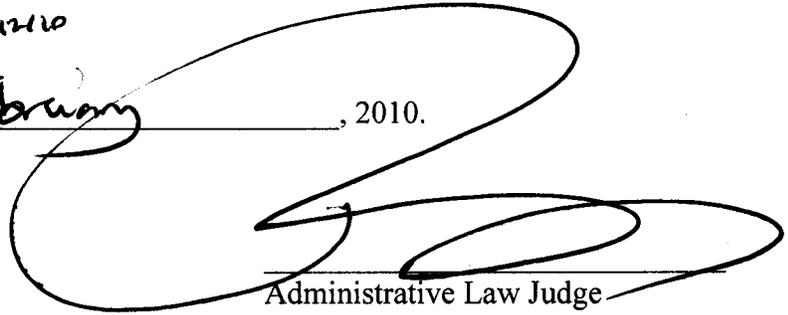
**Or delivered** (in person or via private courier) to the following address:

Washington State Gambling Commission  
4565 7<sup>th</sup> Avenue SE; Fourth Floor  
Attention: Communications and Legal Division Lacey, WA 98503

2) By surrendering its licenses, Gaming Distributors understands that it must apply for a new license if it intends to operate gambling activities in the future.

3) If Gaming Distributors applies for a license, it will be subject to all the Commission's investigative procedures for processing an application for a gambling license. Nothing in this Settlement Order shall prevent Commission staff from denying the application, based on the facts of this case in combination with facts that may not currently be known by Commission staff.

DATED this <sup>12th</sup> ~~5th~~ day of <sup>(RP) 2/12/10</sup> February, 2010.



Administrative Law Judge

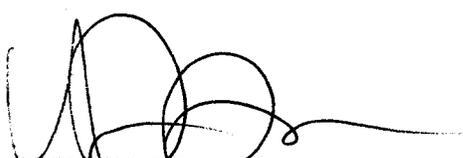
APPROVED FOR ENTRY:

APPROVED AS TO FORM:

By his signature, the licensee acknowledges that he has read the Settlement Order, and understands the terms and conditions contained in it.



Ryan Buzard, Managing Partner (Date) 2/5/10  
Gaming Distributors



H. Bruce Marvin, Assistant Attorney General, WSBA # 25152  
Representing the Washington State Gambling Commission



Brenda Bono, Staff Attorney WSBA #29956  
Washington State Gambling Commission 2/10/10