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STATE OF WASHINGTON
GAMBLING COMMISSION
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GAMBLING COMMISSION
COMM & LEGAL DIVISION

In the Matter of the Suspension)
the License to Conduct Gambling Activities of:)
Kort Haus Eatery,)
Licensee.)

NO. CR 2009-00702

SETTLEMENT ORDER

This Settlement Order is entered into between the Washington State Gambling Commission and White Spot Tavern. H. Bruce Marvin, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Edward Warrington, owner, represents the licensee.

I.

Kort Haus Eatery, 6732 Greenwood Avenue N, Seattle, organization number 00-13313, has been issued the following license by the Washington State Gambling Commission:

Number 05-07396, Authorizing Class "A" Punchboard/Pull-Tab Activity.

This license, which expires on December 31, 2009, was issued subject to the licensee's compliance with state gambling laws and Commission rules.

II.

In the above-entitled case, the Director issued a Notice of Administrative Charges on May 8, 2009, seeking the suspension of Kort Haus Eatery's gambling license. The following is a summary of the facts alleged and the violations charged in the Notice of Administrative Charges:

- The licensee failed to timely submit its punchboard/pull-tab activity report for the third and fourth quarters of 2008. The activity report was due at our administrative office or postmarked by January 30, 2009. However, the activity report was not received until February 11, 2009. This conduct violated WAC 230-14-284(2).
- The licensee has the following administrative history:
In October 2008, the licensee entered into a Settlement Order and agreed to a 15-day suspension to resolve administrative charges issued for failing to timely submit its punchboard/pull-tab activity report for the first and second quarters of 2008. (CR 2008-01402)

- The licensee's failure to timely submit its activity reports demonstrates the licensee's willful disregard for complying with state administrative rules. Therefore, grounds exist for the suspension of Kort Haus Eatery's license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), and (3).
- It is also a violation of the October 2008 Settlement Order, and constitutes grounds to impose the three-day deferred suspension pursuant to that Settlement Order.

RCW 9.46.075 Denying, suspending, or revoking a license or permit

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(s) apply:

- (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 Denying, suspending, or revoking a license or permit

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(s) apply:

- (1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075; or
- (3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

WAC 230-14-284 Activity reports for punchboard and pull-tab licensees

Punchboards and pull-tab licensees must submit an activity report to the Commission. Licensees must complete the report in the format we require and must,

The following subsection(s) apply:

- (1) Cover the periods:
- (a) January 1 through June 30; and
 - (b) July 1 through December 31; and
- (2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period.

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III.

The licensee requested a hearing on May 28, 2009. The licensee waives its right to a hearing and the parties agree to settle this matter under the following terms:

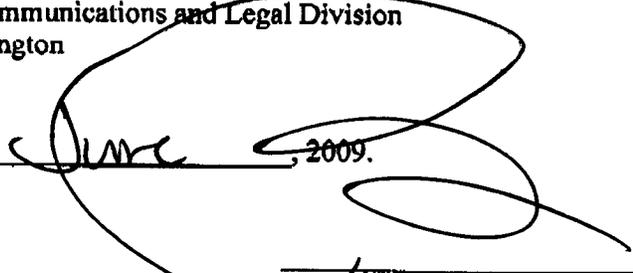
- 1) The licensee's gambling license is hereby suspended for a period of **twenty (20) days**. Three (3) days will be deferred for two years from the date the Order is signed, and seventeen (17) days will be served.
- 2) Additionally, the licensee will serve three (3) days of the previously deferred suspension from the Settlement Order dated October 2008. **Therefore, the licensee will serve a twenty (20) day suspension period.**
- 3) **The suspension period will begin at 8:00 a.m. on Monday, June 22, 2009, and shall run through Saturday, July 11, 2009. During this period of suspension, no punchboard/pull-tab activities shall take place at the licensed premises. The licensee may resume its gambling activities at 8:00 a.m. on Sunday, July 12, 2009.**
- 4) The licensee agrees to submit all subsequent activity reports no later than 30 days following the end of the reporting period. **Failure to do so may result in the filing of administrative charges for the revocation of Kort Haus Eatery's license to conduct gambling activities.**
- 5) **The signed Settlement Order must be received by Commission staff on or before June 12, 2009. It may be mailed to the following address:**

Washington State Gambling Commission
 Attention: Communications and Legal Division - Fines
 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 7th Avenue SE; Third Floor Reception
 Attention: Communications and Legal Division
 Lacey, Washington

DATED this 19th day of June, 2009.



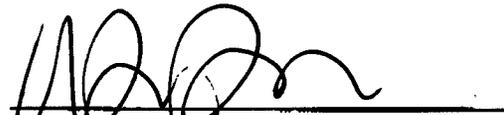
 Administrative Law Judge

By the signature below, the licensee acknowledges reading the Settlement Order, and understands the terms and conditions.

APPROVED FOR ENTRY:

ACCEPTED AS TO FORM:


Edward Warrington, Owner (DATE)
Kort Haus Eatery 6-12-9


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


Melinda Froud, WSBA#26792
Staff Attorney,
Washington State Gambling Commission