

STATE OF WASHINGTON
GAMBLING COMMISSION

RECEIVED
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GAMBLING COMMISSION
COMM & LEGAL DIVISION

In the Matter of the Suspension or)
Revocation of the License to)
Conduct Gambling Activities of:)
)
Card Room Management,)
Renton, Washington,)
)
Licensee;) **SETTLEMENT ORDER**
)
AND)
)
In the Matters of the Denial of the)
Applications to Conduct Gambling)
Activities of:)
)
Tukwila Gaming, LLC,)
dba Riverside/Tukwila)
Tukwila, Washington,)
)
AND,)
)
17001 Gaming, Inc., dba Parker's Casino,)
Lakewood, Washington,)
)
Applicants.)
_____)

The Washington State Gambling Commission and the licensee, Card Room Management, and the applicants, Tukwila Gaming, Inc., and 17001 Gaming, Inc., have entered into this Settlement Order to resolve the administrative charges issued against the licensee and applicants. Stephanie U. Happold, Assistant Attorney General, and Arlene Dennistoun, Staff Attorney, represent the Commission. Robert M. Tull, Langabeer & Tull, P.S., represents the licensee and applicants.

I.

The Washington State Gambling Commission issued Card Room Management, 8200 Tacoma Mall Boulevard, Lakewood, Organization Number 00-22215, the following license:

Number 26-00300, Authorizing Service Supplier Activity.

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Tukwila Gaming, Inc., dba Riverside/Tukwila)
17001 Gaming, Inc., dba Parker's Casino)
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The licensee surrendered its service supplier license on June 28, 2012. The license, which was scheduled to expire on August 26, 2012, was issued subject to the licensee's compliance with state gambling laws and regulations.

17001 Gaming Inc., dba Parker's Casino, with a mailing address of 8200 Tacoma Mall Boulevard, Lakewood, Organization Number 00-22468, applied for the following licenses:

Number 67-00316, Authorizing Class "15" House-Banked Card Room Activity; and
Number 05-21042, Authorizing Class "C" Punchboard/Pull-Tab Activity.

Tukwila Gaming LLC, dba Riverside, 8200 Tacoma Mall Boulevard, Lakewood, Organization Number 00-22391, applied for the following licenses:

Number 65-07335, Authorizing Class "F" Public Card Room Activity; and
Number 05-21021, Authorizing Class "C" Punchboard/Pull-Tab Activity.

The applicants were subject to compliance with state gambling laws and regulations.

II.

The Director of the Gambling Commission issued a Notice of Administrative Charges and Opportunity for an Adjudicative Hearing on November 11, 2011, seeking the suspension or revocation of Card Room Management's license to conduct gambling activities. On November 17, 2011, Commission staff received the licensee's request for a hearing. On March 19, 2012, the Director issued amended charges.

The Director of the Gambling Commission issued Notices of Administrative Charges and Opportunity for an Adjudicative Hearing on November 14, 2011, seeking denial of the applications for licenses to conduct gambling activities for 17001 Gaming, Inc., and Tukwila Gaming, Inc. Commission staff received 17001 Gaming, Inc.'s request for a hearing on November 28, 2011. Commission staff received Tukwila Gaming, Inc.'s withdrawal of application on November 17, 2011. Tukwila Gaming, Inc. did not request a hearing.

III.

SUMMARY:

The following summary of facts and violations were alleged in the Amended Notice of Administrative Charges against Card Room Management, and in the charges against 17001 Gaming, Inc., and Tukwila Gaming, Inc.:

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Two of the licensee's and applicants' owners and substantial interest holders, Tim Iszley and Rick Faoro, committed numerous violations, including:

- Conducting service supplier activity without a license.
- Failing to disclose substantial interest in a licensed house-banked card room.
- Making false, misleading or untrue statements of a material fact.
- Allowing persons to conduct gambling activities without a license.
- Failing to timely disclose a civil action.
- Repeatedly extending credit to patrons.
- Failing to keep complete accounting records of all gambling related transactions.

Card Room Management, Tukwila Gaming, Inc., dba Riverside/Tukwila, and 17001 Gaming, Inc., dba Parker's Casino, are unqualified to be licensed based on:

- The totality of the violations committed by Tim Iszley and Rick Faoro between 2009 and 2011.
- The totality of the administrative history of licensees owned, and/or in which substantial interest was held by, Mr. Iszley and/or Mr. Faoro.

FACTS AND VIOLATIONS FROM AMENDED NOTICE OF CHARGES, CARD ROOM MANAGEMENT, CR 2011-00928, BY REFERENCE ARE INCORPORATED HEREIN. THE VIOLATIONS ARE AS FOLLOWS:

1) **RCW 9.46.075(1)** provides that the Commission may suspend, revoke, or deny any license for any reason it deems in the public interest, including when the licensee or applicant has violated, failed or refused to comply with the provisions, requirements, conditions, limitations, or duties imposed by Chapter 9.46 RCW or any rules adopted by the Commission.

2) **WAC 230-03-085(1)** provides that the Commission may suspend, revoke or deny any and all licenses of any holder, or applicant, when the holder or applicant, or any other person with any interest in the holder or applicant commits any act that constitutes grounds under RCW 9.46.075 for suspending, revoking, or denying licenses, or commits any other act that the Commission determines constitutes a sufficient reason in the public interest for suspending, revoking, or denying licenses.

3) **RCW 9.46.075(8)** provides that the Commission may suspend, revoke, or deny any license for any reason it deems in the public interest, including when the licensee or applicant fails to prove, by clear and convincing evidence, that it is qualified under the provisions of this chapter.

4) **RCW 9.46.153(1)** provides that it shall be the affirmative responsibility of each licensee and applicant to establish by clear and convincing evidence the necessary qualifications for licensure

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of each person required to be qualified under this chapter, and the qualifications of the facility in which the licensed activity will be conducted.

5) **WAC 230-03-085(3)** provides that the Commission may suspend, revoke, or deny any and all licenses of any holder or applicant, when the holder or applicant, or any other person with any interest in the holder or applicant has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

6) **WAC 230-03-085(7)** provides that the Commission may suspend, revoke, or deny any and all licenses of any holder or applicant, when the holder or applicant, or any other person with any interest in the holder or applicant, fails to provide us with any information required under Commission rules within the time required.

7) **WAC 230-03-085(8)** provides that the Commission may suspend, revoke, or deny any and all licenses of any holder or applicant, when the holder or applicant, or any other person with any interest in the holder or applicant poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by (a) Prior activities.

8) **RCW 9.46.160** provides that any person who conducts any activity for which a license is required by this chapter, or by rule of the Commission, without the required license issued by the Commission shall be guilty of a class B felony. If any corporation conducts any activity for which a license is required by this chapter, or by rule of the Commission, without the required license issued by the Commission, it may be punished by forfeiture of its corporate charter, in addition to the other penalties in this section.

9) **WAC 230-03-210(1)** provides that you must apply for a gambling service supplier license if you perform any of the following gambling-related services for compensation: (a) Consulting or advisory services regarding gambling activities; or (b) Gambling management services; or ... (h) Providing any other service or activity where influence may be exerted over any gambling activity licensed by the Commission.

10) A substantial interest holder is defined in **WAC 230-03-045(1)** as “a person who has actual or potential influence over the management or operation of any organization, association, or other business entity.” **WAC 230-03-045(2)** provides that evidence of substantial interest may include, but is not limited to: (a) directly or indirectly owning, operating, managing, or controlling an entity or any part of an entity.

11) **WAC 230-06-080 (1)** provides that a licensee or applicant must notify the Commission in writing if any information filed with the application changes in any way within thirty days of the change; and (2)(b) requires licensees and applicants to submit any new or updated documents and information, including the following: (b) All oral or written contracts and agreements which

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relate to gambling activities or alter the organizational structure of the licensee or applicant's organization or business activities in Washington.

Mr. Iszley and Mr. Faoro are owners and/or substantial interest holders of the licensee and applicants; therefore, grounds exist to suspend or revoke Card Room Management's license, and to deny 17001 Gaming, Inc., and Tukwila Gaming, Inc.'s applications under **RCW 9.46.075(1), (7), (8)** and **WAC 230-03-085(1), (3), (7) and (8)**.

12) **RCW 9.46.075(7)** provides that the Commission may suspend, revoke or deny any license for any reason it deems in the public interest, including when the licensee makes a misrepresentation of, or fails to disclose, a material fact to the Commission.

13) **RCW 9.46.190(2)** provides that any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation, make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made not misleading, in the light of the circumstances under which said statement is made, shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.20.021.

14) **RCW 9.46.170** provides that whoever, in any application for a license or in any book or record required to be maintained by the Commission or in any report required to be submitted to the Commission, shall make any false or misleading statement, or make any false or misleading entry or willfully fail to maintain or make any entry required to be maintained or made, or who willfully refuses to produce for inspection by the commission, or its designee, any book, record, or document required to be maintained or made by federal or state law, shall be guilty of a gross misdemeanor subject to the penalty in RCW 9A.20.021.

Mr. Iszley and Mr. Faoro are owners and/or substantial interest holders of the licensee and applicants; therefore, grounds exist to suspend or revoke Card Room Management's license, and to deny 17001 Gaming, Inc., and Tukwila Gaming, Inc.'s applications under **RCW 9.46.075(1), (7), (8)** and **WAC 230-03-085(1), (3), (7) and (8)**.

15) **WAC 230-06-090(1)** requires licensees to report to the Commission in writing, within 30 days, all civil and administrative actions filed by or against any manager of the licensed gambling activity, the business organization, or any person holding a substantial interest in the business organization. Actions include, but are not limited to: (a) Divorces; and (b) Bankruptcy; (c) Tax liens; and (d) Business dissolutions. (3) The report must consist of a complete copy of the original documents filed. Licensees must notify the commission of the final disposition of the case and include a copy of the final documents filed including, but not limited to, settlement agreements.

Mr. Iszley has been an owner and/or substantial interest holder of at least 18 licensees since 2001, and has had enforcement actions taken repeatedly based on failing to timely disclose

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required information. Rick Faoro was a substantial interest holder in one of the licensees, Gaming Consultants, Inc., between February 21, 2002, and June 10, 2003, and two enforcement actions were taken against Gaming Consultants, Inc. during this time. Tim Iszley and Rick Faoro have demonstrated willful disregard for complying with Commission rules and laws. In addition, the licensee poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by Mr. Iszley's and Mr. Faoro's prior activities.

Mr. Iszley and Mr. Faoro are owners and/or substantial interest holders of the licensee and the applicants; therefore, grounds, exist to suspend or revoke Card Room Management's license, and to deny 17001 Gaming, Inc., and Tukwila Gaming, Inc.'s applications under **RCW 9.46.075(1), (7), (8) and WAC 230-03-085(1), (3), (7) and (8).**

16) **WAC 230-06-005(1)** provides that licensees may accept a check in the place of cash from a player for authorized gambling activities if the check is fully negotiable when accepted; and **(2)(b)** provides that licensees must not accept checks from a player who owes the licensee money from a previous returned personal check; and **(3)** provides if licensees accept a check in violation of this section, they are violating the rules against extending credit.

17) **WAC 230-15-155(2)(b)** provides if card game licensees choose not to use their guarantee service to pre-approve a check, licensees must prohibit persons who submitted NSF checks from submitting additional checks until the person pays the amount owed in full.

Mr. Iszley and Mr. Faoro are owners and/or substantial interest holders of the licensee and applicants; therefore, grounds, exist to suspend or revoke Card Room Management's license, and to deny 17001 Gaming, Inc. and Tukwila Gaming, Inc.'s applications under **RCW 9.46.075(1), (7), (8) and WAC 230-03-085(1), (3), (7) and (8).**

18) **WAC 230-15-730(1)** provides that house-banked card game licensees must keep and maintain a complete set of accounting records which we have approved before licensure. These records must include all receipts and disbursements of the licensee, including, at least, those related to gambling activities; and **(2)** provides licensees must keep legible, accurate, and complete records of all transactions relating to the revenues, costs, and expenses of the gambling operation. Licensees must keep these records in a format that ensures consistency, comparability, and effective disclosure of financial information.

Mr. Iszley and Mr. Faoro are owners and/or substantial interest holders of the licensee and applicants; therefore, grounds, exist to suspend or revoke Card Room Management's license, and to deny 17001 Gaming, Inc. and Tukwila Gaming, Inc.'s applications under **RCW 9.46.075(1), (7), (8) and WAC 230-03-085(1), (3), (7) and (8).**

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IV.

Without agreeing to the allegations, the licensee and applicants acknowledge reading and understanding the facts and violations alleged in the Notices of Administrative Charges. The Commission alleges that the facts and violations specified in case numbers 2011-00928, 2011-00606, 2011-01114, 2011-01133, and 2011-01134, constitute grounds for the suspension or revocation of Card Room Management's license, and the denial of Tukwila, Gaming, Inc., and 17001 Gaming, Inc.'s applications for licenses, to conduct authorized card room and punchboard/pull-tab activities under RCW 9.46.075 and WAC 230-03-085.

While not admitting to the facts and violations specified in the Amended Notice of Administrative Charges, and the Notice of Charges, case numbers 2011-00928, 2011-00606, 2011-01114, 2011-01133, and 2011-01134, the licensee and applicants agree that if the Gambling Commission established the facts in the cases at issue, there would be sufficient evidence of the violations as stated.

- 1) The licensee, Card Room Management, and the applicants, Tukwila Gaming, Inc., and 17001 Gaming, Inc., have waived their right to a hearing based on this Settlement Order.
- 2) The licensee surrendered its service supplier license on or about June 28, 2012.
- 3) Tukwila Gaming, Inc. withdrew its application on November 17, 2011.
- 4) 17001 Gaming, Inc. withdrew its application on January 25, 2012.
- 5) Evergreen Corporation (Evergreen) is publicly traded on the Canadian Stock Exchange. Evergreen and Puget Sound Gaming, Inc., are not licensed by the Gambling Commission; however, they are substantial interest holders of the licensee and the applicants.
- 6) As substantial interest holders of the licensee and applicants, Evergreen and Puget Sound Gaming, Inc., control the ownership interests, policies, and compliance of the licensee and applicants, and therefore, they agree to be parties in the enforcement of this Settlement Order, and to comply with all of the terms and conditions contained in this Settlement Order.
- 7) Rick Faoro is no longer an officer, employee, attorney, substantial interest holder, or agent of the licensee or applicants, or of any entity associated with, or a subsidiary of, Evergreen, Puget Sound Gaming, Inc., their successors, or assigns.
- 8) For two (2) years from this Settlement Order, the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors and assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen, shall take all reasonable measures, including but not limited to, enforcing any covenants not to compete, to ensure Mr. Faoro does not make, or influence any decision related to any gambling activity in the State. This includes, but is not

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limited to, hiring decisions, legal representation, marketing or consulting activity, card room, punchboard/pull-tab, or other authorized gambling activity, for any licensee or applicant.

9) For two (2) years from this Settlement Order, the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors and assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen, shall take all reasonable measures, including but not limited to, enforcing any covenants not to compete, to ensure Mr. Faoro is not physically present in any licensed premises, or in any premises with a pending application, that is managed or owned by the licensee, the applicants, or by Evergreen or Puget Sound Gaming, Inc., or their subsidiaries, successors, or assigns.

10) For two (2) years from this Settlement Order, the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors and assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen, shall take all reasonable measures, including but not limited to, enforcing any covenants not to compete, to ensure Mr. Faoro has no substantial interest, as defined in WAC 230-03-045, or ownership, or employment in any licensed entity or applicant.

11) Prior to this Settlement Order, Tim Iszley had a substantial interest in the licensee, applicants, Evergreen, and Puget Sound Gaming, Inc. Mr. Iszley has since relinquished all shares of stock, and ownership interest (see section IV, paragraph 24). Mr. Iszley is no longer an officer, employee, substantial interest holder, or agent of the licensee or applicants, or of any entity associated with, or a subsidiary of, Evergreen, Puget Sound Gaming, Inc., their successors or assigns.

12) For three (3) years from this Settlement Order, the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors and assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen, shall take all reasonable measures, including but not limited to, enforcing any covenants not to compete, to ensure Mr. Iszley does not make or influence any decision related to any gambling activity in the State. This includes, but is not limited to, hiring decisions, marketing or consulting activity, card room, punchboard/pull-tab, or other authorized gambling activity, for any licensee or applicant.

13) For three (3) years from this Settlement Order, the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors and assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen, shall take all reasonable measures, including but not limited to, enforcing any covenants not to compete, to ensure Mr. Iszley is not physically present in any licensed premises, or in any premises with a pending application, that is managed by the licensee, the applicants, or by Evergreen or Puget Sound Gaming, Inc., their subsidiaries, successors, or assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen.

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14) For three (3) years from this Settlement Order, the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors and assigns, or any affiliate of, or any entity owned by a substantial interest holder of Evergreen, shall take all reasonable measures, including but not limited to, enforcing any covenants not to compete, to ensure Mr. Iszley has no substantial interest, as defined in WAC 230-03-045, or ownership, or employment, in any licensed entity or applicant.

15) The licensee, Card Room Management, and Evergreen and Puget Sound Gaming, Inc., agree to reimburse the Commission, within 30 days of receiving written notice from Commission staff, for all future investigative and administrative costs, resulting from any founded violations or noncompliance with the terms and conditions of this Settlement Order.

16) If Rick Faoro or Tim Iszley apply for a license after the required time period in this Settlement Order has lapsed, each applicant shall be required to establish, by clear and convincing evidence, that they are qualified to hold a gambling license. Mr. Faoro and Mr. Iszley will be subject to all the Commission's investigative procedures for processing an application for a gambling license; however, a denial of license application will not be based solely on the information, facts or violations contained in the Amended and Notice of Charges, cases, 2011-00928, 2011-00606, 2011-01114, 2011-01133, and 2011-01334.

17) If Card Room Management, 17001 Gaming, Inc., or Tukwila Gaming, Inc., apply for a license after this Settlement Order, each applicant shall be required to establish, by clear and convincing evidence, that they are qualified to hold a gambling license. All applicants will be subject to all the Commission's investigative procedures for processing an application for a gambling license; however, a denial of license application will not be based solely on the information, facts or violations contained in the Amended and Notice of Charges, cases 2011-00928, 2011-00606, 2011-01114, 2011-01133, and 2011-01334.

18) The parties agree this Settlement Order supersedes any employment or other similar agreement made between Rick Faoro, or Tim Iszley and the licensee, the applicants, Evergreen, Puget Sound Gaming, Inc., their successors, assigns, or substantial interest holders.

19) The licensee and applicants agree that the Director of the Washington State Gambling Commission, under this Settlement, has sole discretion to determine whether the licensee has violated any term of this Settlement. If the Director determines a Settlement Order violation has occurred, or that any rule or law violation is alleged to have been committed by the licensee, applicants, Evergreen, or Puget Sound Gaming, Inc., their successors, assigns, or their substantial interest holder(s), as defined by WAC 230-03-045, the Director will issue administrative charges revoking any license, or denying any application, of any licensee or applicant related or associated with the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors, or assigns. The licensee or applicant shall have an opportunity for an Adjudicative Proceeding, which includes a hearing on the alleged violations.

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20) No promises or assurances have been made that an applicant as provided for under this Settlement Order, will receive a license from the Commission should they apply.

21) The licensee, applicants, Evergreen and Puget Sound Gaming, Inc., their successors, or assigns, shall not amend the following agreements, incorporated by reference herein, without prior notice and written approval from the Gambling Commission's Director or designee:

- a) Tim Iszley's Separation and Release Agreement, effective date, December 4, 2012, and the December 6, 2012 addendum; and
- b) The Voting Trust Agreement, dated November 12, 2012; and
- c) The Agreement For Assignment of Interest in Shares and Assumption of Related Obligations, dated October 23, 2012.

22) The licensee, applicants, Evergreen and Puget Sound Gaming, Inc., their successors, or assigns, shall notify the Assistant Director of Licensing within 24 hours of the release of the Evergreen stock stop trade order by the TSX-Venture stock exchange.

23) After the Evergreen stock stop trade order is released by the TSX-Venture stock exchange, the licensee, applicants, Evergreen and Puget Sound Gaming, Inc, their successors, or assigns, shall provide verification within ten days, that the transfers of stock as referenced by the Voting Trust Agreement, dated November 12, 2012, has been completed. Verification shall also include the transfer of 70,000 shares held in a brokerage account, to the co-trustees of the Voting Trust Agreement, dated November 12, 2012.

24) As of December 6, 2012, the licensee's and applicants' attorney, Robert M. Tull and the firm of Langabeer & Tull, P.S., possess Evergreen stock certificates and related transfer escrow instructions for the Evergreen stock shares subject to the above-referenced Voting Trust and intended for transfer to the co-trustees of the Voting Trust (see Schedule "A" of letter from Milne Selkirk and James A. MacLean to Langabeer & Tull dated December 5, 2012, incorporated herein by reference). Within seven (7) business days following the effective date of this paragraph (section IV of this Settlement Order). Robert Tull or his law firm shall apply to the registrar of Evergreen stock for reissuance of the stock in the names of the co-trustees as provided by the Voting Trust Agreement (section 2), dated November 12, 2012. If reissuance or application is not possible in light of the existence of the TSX-Venture stock exchange stock transfer stop order, then upon rescission or cancellation of the stock transfer stop order, Mr. Tull shall, within two business days, reapply to the Evergreen stock registrar for reissuance of the stock that is subject to the above-referenced Voting Trust Agreement. Within two business days following application for the reissuance of the subject shares, Mr. Tull shall notify the Gambling Commission of the status of the application. Thereafter, upon receipt of notification from the registrar of reissuance of the subject shares, Mr. Tull shall, within two business days, provide written verification to the Gambling Commission from the Evergreen stock registrar of the

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reissuance of the subject stock. The newly issued shares shall state on their face that they are subject to the Voting Trust Agreement and shall identify each shareholder as "co-voting trustee." In the event that the stock share transfer and reissuance cannot be accomplished within 90 days following execution of this Settlement Order, then on the ninety-first day following the execution of this settlement order, Mr. Tull or his firm shall report in writing to the Gambling Commission, the status of the share transfer and reissuance and the reason that the transfer and reissuance of shares to the co-trustees has not occurred. Thereafter, until the transfer has been completed, Mr. Tull shall file similar reports with the Gambling Commission on a quarterly basis. This paragraph (24) shall not become effective until TSX-Venture stock exchange stock trade stop order "is lifted," or rescinded, for Evergreen Shares.

25) The licensee, applicants, Evergreen, and Puget Sound Gaming, Inc., their successors or assigns shall obtain Steven R. Michels' signature on the Voting Trust Agreement, dated November 12, 2012, within ten days of this Settlement Order.

26) The licensee, applicants, Evergreen, and Puget Sound Gaming, Inc., their successors or assigns, shall pay all reasonable costs, within 30 days after Commission staff's request, for staff to complete follow up reviews, and inspection of documents, exhibits, and all other verification provided to, or requested by, staff related to the execution and compliance of this Settlement Order. Reasonable costs shall include, but is not limited to, review and inspection of all other verification required to help ensure compliance with this Settlement Order, and the Voting Trust Agreement, dated November 12, 2012.

27) Because Card Room Management has surrendered its license, and Tukwila Gaming and 17001 Gaming, Inc. have withdrawn their applications, the licensee and applicants agree to pay the Commission ~~eighty thousand dollars (\$80,000)~~, which represents the Commission's investigative and administrative costs. The costs shall be paid in three (3) installments. The first installment of **twenty-six thousand, six hundred and sixty-six dollars (\$26,666)** shall be paid on **December 7, 2012**. The second and third installments of **twenty-six thousand, six hundred and sixty-seven dollars (\$26,667)** are each due by **January 7, and February 7, 2013**.

28) **The signed order and first installment must be received by Commission staff by December 7, 2012, at the following address:**

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

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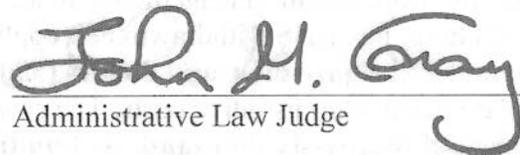
or delivered (in person or via private courier) to the following address:

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

29) If the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., their successors or assigns, make their payments as agreed, this matter will be deemed closed. However, if the licensee, applicants, Evergreen, Puget Sound Gaming, Inc., fail to timely make their payments, the Director will impose an additional penalty of **five thousand dollars (\$5,000)** for each late payment. Paying the penalty would not, however, relieve the licensee, applicants, Evergreen, or Puget Sound Gaming, Inc., their successors or assigns, of its obligation to pay the Commission's eighty thousand dollar (\$80,000) investigative and administrative costs in this matter.

30) The applicants will receive a refund of their licensing fees, less processing costs, within 90 days after the investigative and administrative costs of eighty thousand dollars (\$80,000) has been remitted to the Commission.

DATED this 7th day of January, 2012, ^{2013.}


Administrative Law Judge

APPROVED FOR ENTRY:

By the signature below, the licensee and applicants understand the terms and conditions contained in the Settlement Order.

APPROVED AS TO FORM:

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17001 Gaming, Inc., dba Parker's Casino

CR 2011-00928, CR 2011-00606, CR 2011-01114,
CR 2011-01133, CR 2011-01134

SETTLEMENT ORDER

Monty Harmon 12/7/12
Monty Harmon, President, (Date)
Card Room Management

Stephanie U. Happold 12/7/12
Stephanie U. Happold, 38112
Assistant Attorney General
Representing the Washington State
Gambling Commission

Monty Harmon 12/7/12
Monty Harmon, President, (Date)
17001 Gaming, Inc., dba
Parker's Casino

Monty Harmon 12/7/12
Monty Harmon, Manager, (Date)
Tukwila Gaming, Inc. dba
Riverside/Tukwila

APPROVED AS TO FORM AND AS TO
UNDERTAKING THE
RESPONSIBILITIES OF SECTION IV,
PARAGRAPH 24, OF THIS ORDER

Robert M. Tull
Robert M. Tull,
Attorney, Langabeer & Tull, P.S.,
representing Card Room Management,
17001 Gaming, Inc., dba Parker's
Casino, and Tukwila Gaming, Inc.,
dba Tukwila Gaming

Monty Harmon 12/7/12
Monty Harmon, President, (Date)
Evergreen Gaming Corporation

Monty Harmon 12/7/12
Monty Harmon, President, (Date)
Puget Sound Gaming, Inc.

Arlene Dennistoun 12/7/12
Arlene Dennistoun, WSBA #28760 (Date)
Staff Attorney,
Washington State Gambling Commission

Card Room Management
Tukwila Gaming, Inc., dba Riverside/Tukwila
17001 Gaming, Inc., dba Parker's Casino

CR 2011-00928, CR 2011-00606, CR 2011-01114,
CR 2011-01133, CR 2011-01134

SETTLEMENT ORDER

SEPARATION AND RELEASE AGREEMENT

THIS SEPARATION AND RELEASE AGREEMENT (this "Agreement"), dated effective as of the date of the last signature on the signature page hereto (the "Effective Date"), is by and among IszleyTim Iszley, an individual, and his marital community, ("Iszley"), Puget Sound Gaming, Inc., a Washington corporation ("PSG"), and Washington Gaming, Inc., a Washington corporation ("WGI," and collectively with PSG, the "Company"). Evergreen Gaming Corporation, a British Columbia Public Corporation ("Evergreen") joins into this Agreement as well.

RECITALS

- A. Iszley was an employee of the Company for several years and has signed several agreements on behalf of the company which contain personal guarantees.
- B. Iszley held multiple officer, director positions with Evergreen, WGI, PSG and their subsidiaries, all as set forth on Schedule 1 attached hereto.
- C. In June 2012, Iszley resigned from all of his officer and director positions with EVG, WGI, PSG and their subsidiaries.
- D. Subject to the terms and conditions of this Agreement, the Company will pay Iszley a certain amount of severance for the termination of his officer and director positions and initiating transitions of control of his Evergreen shares which he has done voluntarily in an effort to assist the Company in settling certain administrative proceedings with the Washington State Gambling Commission (WSGC).
- E. Iszley owns shares of stock in Evergreen. Along with his separation from the Company, and subject to certain terms and conditions contained herein, Iszley has transferred control and beneficial ownership of his Evergreen shares and will cooperate in the transfer of said shares when Evergreen stock stop trade order is lifted by the TSX Canadian stock exchange.
- F. Iszley agrees to a covenant not to compete in Washington State for a period of three years beginning July 1, 2012, unless authorization is obtained from all parties.
- G. The parties hereto wish to clearly set forth the terms and conditions of the separation with a covenant not to compete in these Recitals.

AGREEMENT

Now, therefore, in consideration of the mutual promises and undertakings in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Iszley and the Company agree as follows:

1. Removal as Officer and Director. The parties hereto acknowledge that Iszley is no longer an officer or director of PSG, WGI, or any of their subsidiaries.

2. Evergreen Share Transfer.

(a) The Evergreen Share Transfer shall be subject to, among other things, the necessary approvals and documentation required by the TSX Venture Exchange (the "Exchange"), and applicable Canadian and U.S. provincial, state and federal securities laws, as well as the other promises and covenants contained herein. Iszley agrees to cooperate fully with the transfers of shares once the stop trade order is lifted.

(b) Iszley hereby represents and warrants to Evergreen that, he is not now nor has he ever been a resident in any jurisdiction of Canada or a citizen of Canada.

3. Severance. In consideration of Iszley's termination as an officer and director of Evergreen, PSG, WGI and their subsidiaries, the Company shall pay Iszley \$ 15,000 per month for 30 months, starting January 1, 2013 through June 30, 2015. Monthly payments will continue on the second day of each month following the first payment; provided, however, that such amount shall be adjusted as follows:

- (a) Monthly COBRA payments, adjusted monthly for any premium increase or decrease, for continued healthcare coverage (through the current insurer or such other insurer that Company may select from time to time) for Iszley and his dependents through the Company, pursuant to COBRA requirements whereby the Company shall continue to pay the related premiums directly to the health plan provider; until terminated by Iszley or by law, and
- (b) Iszley will waive any unpaid wages or expenses owed as of the date of this agreement.

The payments to Iszley pursuant to this Section 3 shall inure to benefit of his heirs should he die prior to full payment. The Company's obligations to make the payments under this Section 3 are independent of the parties obligations under Section 2 above.

4. Return of Property. Iszley represents and warrants that he has returned to the Company all Company-owned property in his possession that relates solely to his terminated officer and director positions and the Company acknowledges receipt of all said Company property,

5. Covenant Not to Sue. Iszley represents that he has not filed any complaints, charges or lawsuits against the Company, any Company-sponsored employee benefit plans, any related organizations and affiliates, any of their respective past, present and future members, directors, officers, trustees, agents, attorneys and employees, or any of their successors or predecessors, and agrees that he will not do so at any time hereafter relating to, or arising out of, his tenure as an officer or director of the Company, regarding any events occurring prior to the date this Agreement is signed. The Parties agree that this covenant does not apply to the enforcement of any provision of this Agreement.

6. Mutual Release.

(a) Except as otherwise provided in this Agreement, Iszley, his marital community (if any), and his successors, heirs and assigns hereby release and forever discharge the Company, any Company-sponsored employee benefit plans, and all related organizations and affiliates, and each of their respective past, present and future directors, officers, managers, members, subsidiaries, representatives, attorneys, trustees, shareholders, agents, attorneys and employees and all of their successors and predecessors, from, and covenant not to sue with respect to, any and all claims, causes of action, damages, obligations, debts, demands, covenants, contracts, agreements, liabilities, controversies, promises, costs or expenses of whatever nature (including attorneys' fees and costs), either known or presently unknown, which they may now have, have ever had, or may in the future have, arising from or in any way connected with any and all matters related to Iszley's employment as an officer or director of the Company or any of its subsidiaries from the beginning of time to the date of execution of this Agreement, including but not limited to any claims under the Washington Law Against Discrimination (RCW 49.60), the Washington Prohibited Employment Practices Law (RCW 49.44), the Washington Minimum Wage Act (RCW 49.46), Washington's Little Norris-LaGuardia Act (RCW 49.32), the Civil Rights Act of 1964 and 1991 (including Title VII of that Act), the Equal Pay Act of 1963, the Older Workers Benefits Protection Act (29 U.S.C. § 626(f)), the Age Discrimination in Employment Act of 1967 (ADEA), the Americans with Disabilities Act of 1990 (ADA), the Fair Labor Standards Act of 1938 (FLSA), the Family and Medical Leave Act of 1993 (FMLA), the Worker Adjustment and Retraining Notification Act (WARN), the Iszley Retirement Income Security Act of 1974 (ERISA), the National Labor Relations Act (NLRA), the Uniformed Services Employment and Reemployment Rights Act (USERRA), and all similar federal, state and local laws; provided, however, that the releases contemplated by this paragraph shall not apply with respect to the obligations of Company pursuant to the terms of this Agreement and the Related Documents (defined below). Provided further that the release contemplated by this paragraph shall relate only to matters arising from matters arising from Iszley's position as an officer or director of the Company or any of its subsidiaries, and specifically shall not apply to any future employment with the Company in any capacity.

(b) Iszley understands that he is releasing potentially unknown claims, and that he has limited knowledge with respect to some of the claims being released. Iszley acknowledges that there is a risk that, after signing this Agreement, he may learn information that might have affected his decision to enter into this Agreement. Iszley assumes this risk and all other risks of any mistake in entering into this Agreement. Iszley agrees that this release is fairly and knowingly made.

(c) Except as otherwise provided in this Agreement, Evergreen, Company and their successors, heirs, shareholders, and assigns release and forever discharge Iszley from, and covenant not to sue with respect to, any and all claims, causes of action, damages, obligations, debts, demands, covenants, contracts, agreements, liabilities, controversies, promises, costs or expenses of whatever nature (including attorneys' fees and costs), either known or presently unknown, which they may now have, have ever had, or may in the future have, arising from or in any way connected with any and all matters related to Iszley's prior employment as an officer or

director of the Company or any of its subsidiaries, and Iszley's sale of his interests, however, that the releases contemplated by this paragraph shall not apply with respect to the obligations of Iszley pursuant to the terms of this Agreement and the Related Documents.

(d) Evergreen and Company understand that they are releasing potentially unknown claims, and that they have limited knowledge with respect to some of the claims being released. Evergreen and Company acknowledge that there is a risk that, after signing this Agreement, they may learn information that might have affected their decision to enter into this Agreement. Evergreen and Company assume this risk and all other risks of any mistake in entering into this Agreement. Evergreen and Company agree that this release is fairly and knowingly made.

7. Indemnification. Evergreen, WGI and PSG hereby jointly and severally agree that they shall indemnify, defend and hold harmless Iszley, and his marital community, from, against and in respect of any liability, damage, loss, injury, liability, claim, demand, action, suit, proceeding, judgment, award, settlement, assessment, deficiency, fine, penalty, cost or expense (including reasonable attorney's fees, costs and expenses), incurred or suffered by Iszley and/or incurred or suffered by Evergreen, WGI, PSG, or their subsidiaries, or its Officers, Directors or Shareholders arising out of, or relating to, Iszley's past representation of Evergreen, WGI, PSG, or their subsidiaries, or its officers, directors, or shareholders for such entities or individuals in his previous capacity as an officer and director of the Company.

8. Conflicts. The Company agrees that if a potential conflict of interest arises, the Company will, as requested by Iszley, review such potential conflict of interest on a case-by-case basis, and, if determined to be acceptable to the Company, and will not unreasonably refuse to execute a conflict of interest waiver to allow Iszley to pursue such interests.

9. Guaranty. PSG and WGI are obligated under the terms of this Agreement and Evergreen hereby guarantees PSG's and WGI's full payment and performance of all such obligations hereunder.

10. Right To Offset. In addition to all other rights and remedies provided to the Company by this Agreement, at law, in equity, or otherwise, if a court of competent jurisdiction finds Iszley in breach of this Agreement, Iszley hereby agrees that the amounts owed under Section 3 of this Agreement may be offset by any and all damages, losses, costs, expenses, fees or penalties suffered by the Company or any of its subsidiaries due to such breach. The remedies provided hereunder shall be cumulative and concurrent.

11. Nonpayment. If the Company fails to make two consecutive payments due under Section 3 of this Agreement within 5 working days after receiving written notice from Iszley, all sums due pursuant Section 3 shall become due and payable and interest shall accrue on such due and unpaid amount at the rate of 12% per annum until paid in full.

12. Non-Disclosure. The Company and Iszley agree to keep the terms of this Agreement confidential, and not to disclose it to anyone other than accountants, attorneys, consultants or taxing authorities with a need to know; provided, however, that Evergreen shall be

entitled to make such disclosure by way of news release, material change report, Exchange filings or otherwise as it considers necessary or advisable in order to comply with applicable securities laws and Exchange policy..

13. Voluntary Agreement. Iszley understands the significance and consequences of this Agreement, and acknowledges that it is voluntary and has not been given as a result of any coercion. Iszley also acknowledges that he has been given full opportunity to review and negotiate this Agreement, has been advised to consult counsel before executing the Agreement if he deems it appropriate, and executes it only after full reflection and analysis.

14. Notice. Notice to either party must be in writing and will be deemed given if (a) personally delivered, (b) sent by facsimile (with electronic confirmation of delivery), (c) sent by overnight delivery through a nationally recognized overnight delivery service, or (d) mailed registered or certified mail, return receipt requested, postage prepaid. Notices or other communications that are sent by (i) personal delivery or facsimile, will be deemed received on the day sent or on the first business day thereafter if not sent on a business day, (ii) overnight delivery, will be deemed received on the first business day immediately following the date sent, and (iii) U.S. mail, will be deemed received three business days immediately following the date sent. Notices will be sent to Evergreen and The Company to: **15 S Grady Way #409, Renton, WA 98057.** Notices to Iszley will be sent to: **10116 Rainier Ave S Seattle, WA 98011.**

15. Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit and be binding upon the respective successors and assigns of the parties hereto. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

16. Further Assurances. The parties hereto agree that they will execute all such further documents and instruments and take such further actions as may be reasonably necessary to give effect to the transactions contemplated by this Agreement. Iszley expressly agrees that he will cooperate with the Company regarding any investigations undertaken by Company related to events happening during his term of employment and that he will honor all reasonable requests of the Company to fully cooperate on behalf of the Company in the Company's efforts to conduct such investigations.

17. Entire Agreement. This Agreement and the documents referenced herein (the "**Related Documents**") represent and contain the entire understanding between the parties in connection with the subject matter contained therein. This Agreement and the Related Documents shall not be modified or varied except by a written document signed by the parties. Iszley understands that all prior written or oral agreements, understandings or representations between Iszley and Company are merged into this Agreement.

18. Exchange Approval. This Agreement is subject to the prior approval of the Exchange to the extent the individual provisions are subject to their review.

19. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of Washington without giving effect to any conflicts-of-law, rule, or principle that might require the application of the laws of another jurisdiction. In the event of a lawsuit relating to this Agreement, venue shall be in King County, Washington.

20. Attorneys' Fees. In any legal action, arbitration or other proceeding related to or arising out of this Agreement, the substantially prevailing party or parties shall be entitled to recover from the other party or parties reasonable attorneys' fees and other costs incurred. Iszley specifically acknowledges that Iszley is and shall be solely responsible for his own legal fees and costs arising from, related to, and/or in connection with the negotiation and drafting of this Agreement.

21. Counterparts. This Agreement may be signed in counterparts, including by facsimile or electronic transmission, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same effective and binding document.

[Remainder of Page Intentionally Left Blank; Signatures Follow]

Signature Page to Separation and Release Agreement

PLEASE READ CAREFULLY. THIS AGREEMENT INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS. THE UNDERSIGNED FULLY UNDERSTAND THE FINAL AND BINDING EFFECT OF THIS AGREEMENT AND ACKNOWLEDGE THAT THEY ARE SIGNING IT VOLUNTARILY.

DATED EFFECTIVE as of the date and year first above written by duly authorized representatives of the undersigned parties, intending to be bound hereby.

COMPANY:

Puget Sound Gaming, Inc., a Washington corporation

By: Monty Harmon
Name: Monty Harmon
Title: President
Date: 12/6/12

Washington Gaming, Inc., a Washington corporation

By: Monty Harmon
Name: Monty Harmon
Title: President
Date: 12/6/12

EVERGREEN:

Evergreen Gaming Corporation, a British Columbia Public Corporation

By: Monty Harmon
Name: Monty Harmon
Title: President
Date: 12/6/12

ISZLEY:

Tim Iszley

Tim O Iszley
Date: 12/4/12

Schedule 1

Iszley has resigned from all of his officer and director positions with WGI and PSG including:

Executive Vice President, General Counsel, Secretary and Treasurer of the following entities:

- Puget Sound Gaming, Inc.,
- Washington Gaming, Inc.,
- Tukwila Gaming, LLC,
- 220th Gaming, Inc.,
- 160th Gaming, Inc.,
- Card Room Management, Inc.
- TimRick, L.L.C.,
- Tacoma Casino, L.L.C.
- Pete's Flying Aces, Inc.,
- 14040 Gaming, LLC,
- Riverside Casino, Inc.
- TI Gaming, LLC,
- Epstein-Noriega, LLC,
- 17001 Gaming, Inc.,
- La Center Gaming, LLC

Director of the following entities:

- Puget Sound Gaming, Inc.,
- Washington Gaming, Inc.,
- 220th Gaming, Inc.,
- 160th Gaming, Inc.,
- Card Room Management, Inc.
- Pete's Flying Aces, Inc.,
- Riverside Casino, Inc.
- 17001 Gaming, Inc.

And any other Officer or Director positions held prior to June 30, 2012 in the above listed entities or their subsidiaries.

FIRST ADDENDUM TO SEPARATION AND RELEASE AGREEMENT

THIS AGREEMENT is made as of the 6th day of December, 2012.

BETWEEN: TIMOTHY ISZLEY

AND

Puget Sound Gaming, Inc., Washington Gaming, Inc. (Company)
and Evergreen Gaming Corporation.
15 S Grady Way #409
Renton, WA 98057

WHEREAS:

- A. The Parties entered into a Separation and Release Agreement dated December 4, 2012, (the Agreement) provided for and the parties had negotiated for, as part of the original consideration, a provision that Iszley would not compete with the Company for a period of years.
- B. Whereas, while referenced, the language of this non-compete was inadvertently omitted from the final draft of this negotiated settlement.
- C. Whereas the parties both stipulate that this non-compete for term was a material term or condition of this separation and release agreement and wish to correct the record to reflect the agreement of the parties.

Now therefore, it is hereby agreed that the Separation and Release Agreement Dated December 4, 2012 is hereby amended to include the following provision:

1. Iszley agrees and covenants not to engage in any activity that would compete with the Company, in the State of Washington until June 30, 2015, including but not limited to: working for, consulting with, invest with, provide assistance to or represent any Company or employee licensed by the Washington State Gambling Commission in any matter whatsoever related to gaming.

____ MH

JD 1
RF

VOTING TRUST AGREEMENT

THIS VOTING TRUST AGREEMENT (Agreement) is entered into effective this 12 day of NOV, 2012, by and between TIMOTHY B. ISZLEY (Iszley), JANET BUZARD (Buzard), STEVEN R. MICHELS (Mr. Michels), and Thomas Marvin (Mr. Marvin).

This Agreement is premised on the following facts:

A. Mr. Michels is the principal of MICHELS DEVELOPMENT, LLC (MD-LLC). MD-LLC is licensed to provide services to gambling businesses in the State of Washington. MD-LLC has provided financing to various gambling businesses which are subsidiaries of Evergreen Gaming Corporation, a publicly traded British Columbia Corporation (Evergreen), and also to Iszley personally.

B. Mr. Marvin is the principal of TKM Corp. (TKM). TKM has provided financing to Iszley and has a security interest as outlined in Recital G below.

C. Iszley entered agreements in 2010 to purchase shares of common stock in Evergreen, as follows:

Vendor	Number of Shares of Evergreen Common Stock Purchased from Vendor
Cory Coyle (Coyle)	1,688,439
Norm Osatuik (Osatuik)	6,331,658
Madeleine Sutherland	17,224,767
George Ross Sutherland	5,764,101
Agnes Sutherland (Since deceased)	4,738,661
Total Shares Involved in 2010 purchase:	35,747,626

Madeleine, G.R., and Agnes Sutherland are collectively referred to as the "Sutherlands".

D. Prior to the 2010 transaction, Iszley had owned 7,728,196 shares of Evergreen common stock since 2006, and another 70,000 shares held in a brokerage account.

E. Portions of the purchase prices payable in connection with the 2010 stock purchase were owner financed; that is, a portion of the purchase price was deferred to be paid after closing, and the 35,747,626 shares, together with 7,728,196 of the shares previously owned by Iszley, were placed into escrow and security interests in said shares were granted to the vendors. MD-LLC provided financing for a portion of the purchase prices, and was granted a second-position security interest in 43,475,822 Evergreen shares owned by Iszley from and after 2010.

F. The purchase prices payable to Coyle, Osatuik, and the Sutherlands were eventually paid in full during 2012, and the 35,747,626 shares

purchased from said vendors are now owned by Iszley, and said shares (and 7,728,196 of the shares previously owned by Iszley) are now free and clear of any security interest in favor of said vendors.

G. The parties acknowledge that the security interest in the Evergreen shares granted to MD-LLC continues to attach, and that a security interest in the Evergreen Shares has also been granted to TKM Corp.. MD-LLC's security interest is in first position as to the 35,747,626 initially acquired in 2010, and in second position as to the 7,728,196 shares Iszley previously owned, pursuant to a subordination agreement between MD-LLC and TKM Corp. TKM Corp.' security interest is in first position as to the 7,728,196 shares Iszley previously owned, and in second position (immediately subsequent to MD-LLC) as to the 35,747,626 shares acquired in 2010.

H. The parties further acknowledge that Iszley has granted to Mr. Marvin an option to purchase up to 10,886,455 of the Evergreen Shares (together with 25% of any additional or further shares in Evergreen in which Iszley may subsequently acquire an interest), and that this Agreement is subject to Mr. Marvin's option to acquire such shares, which option continues in place even though the Evergreen Shares are being placed into this voting trust. Notwithstanding the foregoing, in no event shall Iszley acquire any additional or further shares in Evergreen during any period of exclusion from gambling activities as further set forth in Paragraph 7 below.

I. Iszley has further transferred the underlying ownership rights to all shares in Evergreen previously owned by Iszley to Janet Buzard, subject to the security interests outlined above.

J. The parties wish to enter into a voting trust arrangement which will allow Mr. Michels and Mr. Marvin to vote all Evergreen shares Iszley previously owned, including without limitation the 43,545,822 shares outlined above and any other shares whatsoever previously owned by Iszley, together with any additional Evergreen shares subsequently acquired by Iszley from whatever source.

NOW THEREFORE, in consideration of the financing described above and to provide assurances of security relating to the financing and security interests described above, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Iszley, Buzard, Mr. Michels, and Mr. Marvin agree as follows:

1. Deposit of Shares. Iszley and Buzard agree that they will forthwith assign to and deposit with or cause to be deposited into trust under this voting trust Agreement all certificate(s) for all 43,545,822 Evergreen shares described above. Iszley further agrees to immediately deposit or cause to be deposited into trust under this voting trust Agreement in a like manner any and all shares which may be acquired by Iszley after the date of this Agreement.

1.1 Mr. Michels Trustee As To 35,817,626 Shares. Iszley and Buzard hereby designate, appoint and empower Mr. Michels to act as Trustee (pursuant to the terms of this Agreement) as to the 35,747,626 outlined in Recital C above, in which he holds a first-position security interest, together with the 70,000 shares held in a brokerage account as described in Recital D. Mr. Marvin hereby confirms and concurs that Mr. Michels shall act as the Trustee as to such 35,817,626 Shares.

1.2 Mr. Marvin Trustee As To 7,728,196 Shares. Iszley and Buzard hereby designate, appoint and empower Mr. Marvin to act as Trustee (pursuant to the terms of this Agreement) as to the 7,728,196 shares in which he holds a first-position security interest, consisting of the 7,728,196 shares owned by Iszley since 2006 as described in Recital D. Mr. Michels hereby confirms and concurs that Mr. Marvin shall act as the Trustee as to such 7,728,196 Shares.

1.3 Definition of "Trustee". The term "Trustee" shall refer, in the case of the 35,817,626 shares described in Paragraph 1.1, to Mr. Michels, and in the case of the 7,728,196 shares described in Paragraph 1.2, to Mr. Marvin. All references to "Trustee" in this Agreement shall collectively mean both Mr. Michels and Mr. Marvin, and the specific duties, benefits, and obligations of the Trustee as set forth hereunder shall inure to and be binding upon Mr. Michels as to the 35,817,626 shares described in Paragraph 1.1, and shall inure to and be binding upon Mr. Marvin as to the 7,728,196 shares described in Paragraph 1.2.

2. Title and Certificates. Title to all the shares deposited with Trustee under this Agreement shall be vested in the Trustee and shall be transferred to the Trustee on the books of Evergreen, and the Trustee shall possess and be entitled to exercise with respect to such shares all voting rights of holders of common stock of any and every kind and character, including the right to vote such shares and to take part in or consent in writing or otherwise to any corporate or stockholders action, whether ordinary or extraordinary. Certificates issued in the name of the Trustee may include on their face a statement that the certificates are issued pursuant to this Agreement, and the entry of the ownership in the books of Evergreen may also reflect that the certificates are issued pursuant to this Agreement.

3. Voting Discretion. Except as otherwise provided in this Agreement, the Trustee shall possess and shall be entitled to exercise in his sole and absolute discretion, with respect to any and all of the Shares at any time covered by this Agreement, the right to vote the same or to consent to any and every act of the Corporation in the same manner and to the same extent as if he were the absolute owner of such Shares in his own right. All decisions and actions by the Trustee pursuant to this Agreement shall be based on his independent judgment.

4. Transfer and Voting Trust Certificates. It is acknowledged that any transfer of Iszley's and/or Buzard's interest in any of the shares deposited with Trustee under this Agreement would be subject to the security interests set forth herein, and such transfer may require the approval of the security interest holders. In the event that Iszley and/or Buzard desires to transfer any shares or interest, or if Iszley and/or Buzard so requests, the Trustee shall issue Voting

Trust Certificates, in a form acceptable to the Trustee and Evergreen, for the Evergreen shares held by Trustee. In the event of any such transfer, the rights of the transferee or assignee shall be subject to this Agreement during its term. Furthermore, in the event that MD-LLC and/or TKM Corp. realizes on the security interest outlined in Recital F above, then the shares so realized upon shall be released to the secured party realizing on the same, and this voting trust shall terminate as to those shares so released to the secured party. Furthermore, if Mr. Marvin exercises his option to purchase 25% of the Evergreen Shares as set forth in Recital H above, then upon such exercise and upon payment of the applicable purchase price and performance of the other obligations of Mr. Marvin thereunder, the shares so purchased shall be transferred to Mr. Marvin free of this voting trust, and this voting trust shall terminate as to those shares so purchased under such option. In no event shall any shares of Evergreen (whether identified herein or otherwise), or any ownership rights or voting rights therein, be transferred to Iszley without the prior consent of the Washington State Gambling Commission, which shall not be withheld if Iszley successfully fulfills the terms and conditions of any settlement order entered into with the Commission.

5. Proceeds. Any dividends, proceeds, or other amounts payable as a result of the shares shall be remitted from Trustee to Buzard, subject to the security interests outlined above. In the event that ownership of the shares deposited with Trustee results in the issuance of additional shares (as dividends or the like) such additional shares shall be subject to this Agreement and shall be held by and titled in Trustee's name pursuant to this Agreement. In no event shall any dividends, proceeds, or other amounts payable in connection with the shares be remitted to Iszley without the prior consent of the Washington State Gambling Commission, which shall not be withheld if Iszley successfully fulfills the terms and conditions of any settlement order entered into with the Commission.

6. Restriction on Encumbrances. During the term of this Agreement, Trustee shall not sell, pledge, hypothecate, mortgage or place any security interest upon any of shares held by Trustee pursuant to this Agreement. This restriction shall not restrict the holders of security interests from exercising any remedies pursuant to contract, law, or equity.

7. Term and Termination. The term of this Voting Trust Agreement shall continue until such time as (i) the obligation owed to MD-LLC by Iszley as secured by the Evergreen shares has been paid in full AND all obligations owed to MD-LLC by Evergreen and/or its subsidiaries have been paid in full; or (ii) November 1, 2015, provided that any agreement between Iszley and the Washington State Gambling Commission (including without limitation any settlement order entered regarding CR 2011-00928, -00606, -01114, 01133, and/or -01134) or any other governmental agency providing for a specific duration of this Agreement shall control as to termination. This Agreement may be terminated by the mutual agreement of Buzard and Trustee, subject to the approval of the Washington State Gambling Commission. This Agreement may be terminated without the consent of Buzard in the event that MD-LLC or TKM Corp. exercises remedies against Iszley and/or Buzard that involve realizing on

the security interest. Upon termination of this Agreement, Trustee shall cause the shares subject to this Agreement to be issued in the name(s) of the person(s) entitled thereto. If this voting trust Agreement is terminated as to one but not both of the Trustees, then the remaining Trustee may, at the remaining Trustee's sole option, undertake the role of sole Trustee for all the shares subject to this Agreement in the event that the security interest held by the company in which such remaining Trustee is principal remains in effect.

7. Limitation on Liability. The Trustee, acting in his capacity as a stockholder of the Company, as a voting trustee or otherwise, shall not be liable under this Agreement for any error of judgment or mistake of law or other mistake, or for any act or omission of any agent or attorney, or for any misconstruction of this Agreement or for any act or omission save only his own individual willful misconduct.

8. Successors. This Agreement and the terms and conditions thereof shall inure to the benefit of and be binding upon the parties and upon their respective estates, personal representatives, successors and assigns. In the event that Trustee resigns or is otherwise unable to continue to act as Trustee during the term of this Agreement, MD-LLC or TKM (as the case may be) may name a successor trustee, and such successor trustee shall hold title to and vote the shares, and shall have all of the same rights and duties under this Agreement as the original Trustee.

9. Further Documents and Actions. Iszley, Buzard and Trustee agree to sign such further documents (including without limitation assignments of shares, stock powers, and escrow instructions) and take such further actions as may be necessary to carry out the deposit and transfer of the shares and any other terms of this Agreement.

10. Approval of Government Agencies. The parties further agree and acknowledge that the terms and conditions of this Agreement and the performance of the obligations hereunder, as well as any termination of this Agreement, or any transfer of any of the shares (or any interest therein) subject to this Agreement, whether as a result of realizing on a security interest or otherwise, is subject to approval by the Washington State Gambling Commission and any other agency having applicable jurisdiction, which may include but not be limited to the Washington State Liquor Control Board and the TSX Venture Exchange

11. Governing Law. This Agreement will be construed in accordance with and governed by the laws of the State of Washington.

12. Notices. Any notices to Trustee or Iszley shall be transmitted by email AND with a hard copy sent via regular mail or Federal Express, and shall be sent to the addresses set forth below the parties' signatures or such other updated addresses as the parties may provide from time to time.

13. Severability. In the event that any provision of this Agreement is held to be unenforceable under applicable law, this Agreement will continue in

full force and effect without such provision and will be enforceable in accordance with its terms.

14. Entire Agreement. Except as otherwise provided herein, this Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter of this Agreement, and supersedes all prior or contemporaneous agreements and understanding other than this Agreement relating to the subject matter hereof.

15. Amendment and Waiver. Except for termination as provided herein, this Agreement may be amended only by a written agreement executed by the parties hereto. No provision of this Agreement may be waived except by a written document executed by the party entitled to the benefits of the provision. No waiver of a provision will be deemed to be or will constitute a waiver of any other provision of this Agreement. A waiver will be effective only in the specific instance and for the purpose for which it was given, and will not constitute a continuing waiver.

IN WITNESS WHEREOF, the undersigned have executed this Voting Trust Agreement as of the date first written above.

Steven R. Michels
817 West Main Street
Brownsville, WI 53006
Email: SMICHEL@nichels.us

Thomas Marvin
10512 NE 68th Ste. 204 102
Kirkland, WA 98033
Email: tmarvin@microquill.com

Timothy B. Iszley
10116 Rainier Avenue South
Seattle, WA 98178
Email: tiszley@aol.com

Janet Buzard
10128 Rainier Avenue South
Seattle, WA 98178

**AGREEMENT FOR ASSIGNMENT OF INTEREST IN SHARES
AND
ASSUMPTION OF RELATED OBLIGATIONS**

This Assignment of Interest in Shares and Assumption of Related Obligations (Agreement) is entered this 23 day of OCT, 2012, by and between TIMOTHY B. ISZLEY (Assignor) and JANET BUZARD (Assignee).

This Agreement is based on the following facts:

A. Assignor holds an interest in the following shares of stock in Evergreen Gaming Corporation:

	Number of Shares
Owned by Assignor since 2006	7,728,196
Held in Brokerage Account	70,000
Acquired from Cory Coyle	1,688,439
Acquired from Norm Osatuik	6,331,658
Acquired from Madeleine Sutherland	17,224,767
Acquired from G.R. Sutherland	5,764,101
Acquired from Agnes Sutherland	4,738,661
Total Evergreen Gaming Shares in which Assignor holds an interest:	43,535,822 43,545,822

JD
TBI

JB
JB

JD
TBI

JB
JB

The ~~43,535,822~~ 43,545,822 shares outlined above are referred to collectively in this agreement as the "Evergreen Shares."

B. Assignor owes certain duties and obligations to third parties, which obligations relate to or are secured by the Evergreen Shares, as follows:

i) A Promissory Note granted April 6, 2010, to Michels Development, LLC, in the initial principal amount of \$2 Million, including the obligations contained in the associated Loan Agreement and Security Agreement of even date therewith (Michels Loan).

a. Copies of the Note, Loan Agreement and Security Agreement documenting the Michels Note are attached hereto as Exhibits A, B, and C respectively.

b. Michels Development, LLC's (Michels) security interest securing the Michels Loan is a first-position security interest as to the 35,747,626 shares acquired from Coyle, Osatulk, and the Sutherlands, and a second-position security interest as to the 7,728,196 shares owned since 2006, pursuant to the Subordination Agreement attached hereto as Exhibit D.

ii) Two (2) Promissory Notes granted effective August 27, 2012, to TKM Corp. totaling a combined principal amount of One Million Five Hundred and Eighty Thousand Dollars (\$1,580,000.00), including the obligations contained in the associated Grant of Security Interests of even date therewith, as modified and clarified by the terms of that certain First Amendment to Promissory Notes and Security Agreement dated October 22, 2012 (TKM Loans).

a. Copies of the two Promissory Notes and the Grant of Security Interests and Amendment documenting the TKM Loans are attached hereto as Exhibits E, F, G and H respectively.

b. TKM Corp.'s (TKM) security interest securing the TKM Loans is a second-position security interest as to the 35,747,626 shares acquired from Coyle, Osatulk, and the Sutherlands (junior to the interest of Michels) and a first-position security interest as to the 7,728,196 shares owned since 2006, pursuant to the Subordination Agreement attached hereto as Exhibit D.

c. In connection with the TKM Loans, Assignor has assigned to TKM all right, title and interest in a promissory note granted to Assignor September 1, 2010, by TimRick, LLC, and pursuant to the terms of the Assignment of Promissory Note and Security, a copy of which is attached hereto as Exhibit I, all payments received by TKM from TimRick are to be credited as payments on the \$705,000.00 Promissory Note attached hereto as Exhibit E.

iii) An option for Thomas K. Marvin or his assigns to purchase up to 10,886,455 of the Evergreen Shares, as documented by that certain Restated Option for Stock Purchase which was executed on October __, 2012, but effective August 27, 2012, a copy of which is attached hereto as Exhibit J (Marvin Option).

iv) Relative to certain regulatory conditions of the Washington State Gambling Commission (WSGC), Assignor has agreed to place the Evergreen Shares into a voting trust arrangement which will provide that the Evergreen Shares will be voted by a party unrelated to the Assignor and acceptable to the WSGC.

C. Assignor desires to assign all beneficial interest in the Evergreen Shares to Assignee, subject to the obligations associated with such Evergreen Shares, and Assignee wishes to take ownership of such beneficial interest in the Evergreen Shares and to assume all the obligations and responsibilities therewith.

NOW, THEREFORE, in consideration of the mutual benefits to be received by both parties, including without limitation the mutual love and affection between child and parent, Assignor and Assignee covenant and agree as follows:

1. Assignment of Shares. Assignor hereby grants, conveys, assigns and transfers to Assignee all of Assignor's right, title and interest in and to the Evergreen Shares as outlined in Recital A above.

2. Assumption of Obligations. Assignee agrees that Assignee's interest in the Evergreen Shares is subject to the security interests of Michels and TKM as outlined above. Assignee hereby assumes all of the burdens, debts, obligations and responsibilities associated with the Evergreen Shares, and agrees to perform the same by paying each such debt and assuming each of the burdens, obligations, undertakings and responsibilities of the Assignor. Such assumption shall include, but not be limited to, the following undertakings:

A. Assignee agrees to assume, and hereby undertakes and promises to perform, each the obligations of the debtor/borrower under the Michels Loan described in Recital B(i) above, as set forth in Exhibits A, B, and C.

B. Assignee agrees to assume, and hereby undertakes and promises to perform, each the obligations of the debtor/borrower under the TKM Loans described in Recital B(ii) above, as set forth in Exhibits E, F, G, H, and I. Assignee acknowledges that TKM shall credit all payments received from TimRick as a payment on the Promissory Note attached as Exhibit E, but further understands and acknowledges that, in the event of a default by TimRick, TKM has the option to assign the holder's interest in the TimRick back to Assignee.

C. Assignee agrees that, in the event any dividends, interest, proceeds or other payments whatsoever are issued or received as a result of the Evergreen Shares, Assignee shall first apply such payments to the tax due, if any, as a result of such payment, and shall remit the remaining balance to Michels and TKM, as payment towards the obligations outlined in Recitals B(i) and B(ii) above, with such payment allocated to Michels and TKM based on the shares in which each holds a first-position security interest.

D. Assignee agrees to be bound by the terms of the Marvin Option, by assuming and undertaking each of the obligations of the Seller as set forth in Exhibit J.

E. Assignee agrees to place all of the Evergreen Shares into a voting trust arrangement acceptable to WSGC, and to execute all voting trust agreements, transfers/assignments, or other documents whatsoever, in such form acceptable to WSGC, as may be necessary to accomplish such voting trust arrangement.

3. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided that any permitted assignment of either party's obligations or liabilities shall not relieve that party of any of its liabilities or obligations under this Agreement.

4. In connection with the transactions contemplated by this Agreement, the parties agree to execute any additional documents and papers and to perform and do any additional acts and things as may be reasonably necessary and proper to effectuate and carry out the transactions contemplated by this Agreement.

5. Evergreen Gaming Corporation is listed with the Toronto Stock Exchange, and is the beneficial owner of various restaurant/lounge/cardroom business in the State of Washington which hold licenses to conduct gambling activities and serve alcoholic beverages, and accordingly the terms of this Agreement and the performance of the obligations hereunder are subject to the approval of the TSX Venture Exchange, the Washington State Gambling Commission, and the Washington State Liquor Control Board.

6. This Agreement and the other documents specifically referenced herein constitute the entire agreement of the parties with respect to the specific subject matter hereof. Neither this Agreement nor any of its provisions shall be modified, changed, discharged, or terminated except by an instrument in writing signed by the party against whom the enforcement of any modification, change, discharge or termination is sought. This Agreement shall be governed by the laws of the State of Washington. This

Agreement may be executed in counterparts, and signatures may be transmitted by email or facsimile.

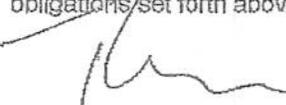
ASSIGNOR

ASSIGNEE

Timothy B. Iszley 23 OCT 12 Janet Buzard 10-23-12
Timothy B. Iszley Date Janet Buzard Date

APPROVAL BY TKM

TKM Corp., by its signature below, hereby approves the assumption by Assignee of the loan obligations set forth above.



TKM Corp.
By: Thomas Marvin, President

**MILNE
SELKIRK**

L A W Y E R S

An association of independent lawyers
and/or law corporations, and not a partnership

Langley Office:
Bldg. # 5
21183 - 88th Avenue
Langley, B.C.
V1M 2G5

James A. MacLean
Tel.: (604) 882-5015
Fax.: (604) 882-5025
E-mail: jmaclean@milneselkirk.com

December 5th, 2012

File No: 49946-001

BY COURIER

Langabeer & Tull, P.S.
709 Dupont Street
Bellingham, Washington
98225 USA

Attention: Cristy Sears

Dear Cristy:

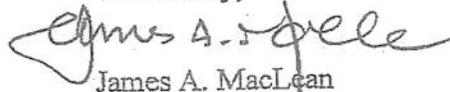
Re: Evergreen Gaming Corp.: Release of Shares from Escrow

In accordance with my obligations as Escrowholder under three Escrow Agreements and relating to the purchase by Tim Iszley (the "Purchaser") of shares in Evergreen Gaming Corp. ("Evergreen") from Cory Coyle, Norman Osatuik and various members of the Sutherland family (collectively, the "Vendors"), I am enclosing the three groups of original escrow documents and the related Escrow Agreements for your reference. Included in these documents are the original share certificates listed in Schedule "A" hereto, representing shares of Evergreen.

These documents are being released from escrow because each of the Vendors has acknowledged payment in full and has authorized the release of these documents to the Purchaser. Each of the Escrow Agreements provides that any escrow documents released to the Purchaser shall be sent to your office.

Would you kindly acknowledge receipt of these documents by endorsing and scanning back a copy of this letter.

Yours truly,


James A. MacLean

JM/ka
Encl.

c.c. Dan Sutherland
Norm Osatuik
Cory Coyle

Delivery acknowledged this ___ day of December, 2012.

Langabeer & Tull, P.S.

Schedule "A"List of Enclosed Share Certificates

<u>Cert #</u>	<u>Holder</u>	<u>Number of Shares</u>
246	Timothy Brian Iszley	2,407,049
260	Timothy Brian Iszley	707,049
281	Timothy Brian Iszley	2,407,049
291	Timothy Brian Iszley	2,207,049
306	Dan Sutherland	8,743,201
265	Daniel R. Sutherland	5,994,776
183	Daniel R. Sutherland	5,994,775
217	Daniel Ross Sutherland	5,327,994
307	Madeleine Sutherland	1,000,000
309	Madeleine Sutherland	666,783
182	Cory Coyle	422,110
11	Cory Coyle	422,109
229	Cory Coyle	422,110
264	Cory Coyle	422,110
305	Norman Osatuik	6,331,658