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**STATE OF WASHINGTON  
GAMBLING COMMISSION**

<p>In the Matter of:</p> <p>ASHEM CORPORATION D/B/A UBET CASINO,</p> <p>License Nos. 53-21376 67-00039,</p> <p>Licensee.</p>	<p>NO. CR 2017-01003</p> <p>SETTLEMENT AGREEMENT</p>
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The Washington State Gambling Commission (Commission) through David Trujillo, Director, and Licensee AshEm Corporation d/b/a UBet Casino, through its attorney Dave Malone, and corporate president, Regina Backunowicz, enter into this settlement agreement for Case Number 2017-01003.

**I. INTRODUCTION**

1. The Washington State Gambling Commission (Commission) issued Licensee AshEm Corporation d/b/a UBet Casino, gambling licenses, License Nos. 53-21376, authorizing Commercial Amusement Game Activity, and 67-00039, authorizing House Banked Card Room Activity in the State of Washington. These licenses expire on June 30, 2018.

2. On August 28, 2017, the Commission issued administrative charges against the Licensee in the above-reference case number. The Licensee ceased business operations on or about October 12, 2017.

3. The Commission alleges that between November, 2015 and October, 2017, the Licensee committed violations of WAC 230-06-108, WAC 230-06-080, WAC 230-06-090(2)(a), (b), (c), (d), (3) and (5), WAC 230-06-106(1)(a), (b), (5)(a), (b), and (c), WAC 230-03-085(1), (3), and (8), RCW 9.46.160, and RCW 9.46.075 (1), (2), (3), (5), (7) and (8) by:

SETTLEMENT AGREEMENT

IN RE: ASHEM CORPORATION D/B/A UBET  
CASINO  
NO. CR 2017-01003

Washington State Gambling Commission  
4565 7<sup>th</sup> Avenue S.E., Lacey, WA 98503  
P.O. Box 42400  
Olympia, WA 98504

- 1 a. Conducting a prohibited change of ownership and transfer of its property and
- 2 assets;
- 3 b. Unlawfully operating a card room and amusement game activity;
- 4 c. Failing to report changes to application information and submit updated
- 5 documents and information;
- 6 d. Failing to report administrative actions filed against it and a shareholder within
- 7 thirty days, failing to file complete documentation, and failing to supply a copy
- 8 of final written decisions within thirty days; and
- 9 e. Conducting an unapproved transfer of its licenses.

10 4. The Commission and Licensee wish to enter into a settlement agreement to  
11 resolve the administrative charges in the above-referenced case number.

12 **II. SETTLEMENT AGREEMENT**

13 1. The parties enter into this agreement to avoid the time and expense of further  
14 litigation.

15 2. The Licensee explicitly waives the right of further administrative review of the  
16 above-referenced Administrative Charges (CR 2017-01003). The Licensee hereby voluntarily  
17 withdraws its request for a hearing on this matter.

18 3. The Licensee does not admit to the facts or violations alleged in the above-  
19 referenced Administrative Charges. However, the Licensee agrees there would be sufficient  
20 evidence for a trier of fact to conclude the Licensee committed the alleged violations if the facts in  
21 the Administrative Charges were proven at a hearing.

22 4. The parties agree that the Commission will consider that the violations set forth  
23 in the administrative charges, as specified in the above paragraphs, have been sustained and will  
24 become a part of the Licensee's administrative violation history.

25 5. The Licensee agrees to surrender its licenses within five working days of  
26 execution of this Agreement and acknowledges the Washington State Gambling Commission

1 will consider the licenses are revoked effective on the date of signing this agreement. Upon  
2 signing this settlement agreement, the parties agree the Licensee will not be authorized to engage  
3 in any gambling activities unless it applies for and receives a new gambling license.

4 6. In the event the Licensee, or a substantial interest holder therein, has applied or  
5 subsequently applies for a gambling license, the license application(s) will be subject to all the  
6 Washington State Gambling Commission's investigative procedures for processing such  
7 application. Furthermore, no promises or assurances have been made to the Licensee it will  
8 receive a license from the Washington State Gambling Commission should it apply. If the  
9 Gambling Commission seeks to deny a subsequent license application based on the allegations  
10 contained in CR 2017-01003, the parties agree the agency would need to prove the allegations  
11 at hearing by a preponderance of the evidence.

12 7. The Licensee agrees it shall have no involvement whether paid or unpaid, in the  
13 ownership, operation, or financing of any activity regulated by the Washington State Gambling  
14 Commission unless licensed.

15 8. This Agreement constitutes the final written expression of all the terms of this  
16 Agreement and is a complete and exclusive statement of these terms.

17 *Regina A. Bakunowicz* 7/10/18  
18 REGINA BAKUNOWICZ DATE  
19 President  
AshEm Corporation d/b/a UBet Casino

20 *DE TRUJILLO* 7/17/2018  
21 DAVID TRUJILLO DATE  
22 Director  
Washington State Gambling Commission

23 APPROVED AS TO FORM:  
24 MILLER MALONE & TELLFSON  
*Dave M* July 11, 2018  
25 FRANK L. MILLER, WSBA #12051 DATE  
DAVE MALONE, WSBA #23435  
26 Attorneys for Licensee