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COMM & LEGAL DEPT

STATE OF WASHINGTON  
GAMBLING COMMISSION

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GAMBLING COMMISSION  
COMM & LEGAL DEPT

In the Matter of the Suspension of )  
the Licenses to Conduct Gambling Activities of: )  
Orient Express )  
Seattle, Washington, )  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2009-01300

SETTLEMENT ORDER

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FEB 01 2010  
HEADQUARTERS OFFICE OF  
ADMINISTRATIVE HEARINGS

This Settlement Order is entered into between the Washington State Gambling Commission and Orient Express. H. Bruce Marvin, Assistant Attorney General, and Brenda Bono, Staff Attorney, represent the Commission. Quio Zhao, owner represents the licensee.

I.

The Washington State Gambling Commission (Commission) issued Orient Express Restaurant, Organization Number 00-21689, the following license:

Number 05-20745, Authorizing Class "A" Pull-Tab Activity.

The license expires on December 31, 2010, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

In the above-entitled case, the Gambling Commission issued a Notice of Administrative Charges and Opportunity for an Adjudicative Hearing on October 5, 2009, seeking the suspension or revocation of Orient Express' license to conduct gambling activities. On October 28, 2009, Commission staff received the licensee's request for a hearing.

III.

The following facts and violations were alleged in the Notice of Administrative Charges:

The licensee failed to provide documents to the Gambling Commission relating to cash contributions of over \$56,000, as requested.

Therefore, under RCW 9.46.075(1), and (7) WAC 230-03-085(1), (3) and (7), grounds exist to suspend or revoke Orient Express Restaurant's License.

**RCW 9.46.075 Denying, suspending, or revoking an application, license or permit** states:

The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include,

but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections 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; and

(7) Makes a misrepresentation of, or fails to disclose, a material fact to the Commission.

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

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

(The following subsections apply.)

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

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level; or

(7) Fails to provide us with any information required under Commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us.

**WAC 230-06-080 Report changes to application information and submit updated documents and information** states: (The following subsections apply.)

(1) Licensees must notify us in writing if any information filed with the application changes in any way within thirty days of the change.

(2) Licensees must submit to us any new or updated documents and information, including the following:

(a) Articles of Incorporation or bylaws, or any other documents which set out the organizational structure and purposes; and

(b) All oral or written contracts and agreements which relate to gambling activities or alter the organizational structure of the licensee's organization or business activities in Washington; and

(c) All cash or asset contributions, draws from lines of credit, and loans (except those from recognized financial institutions) during any calendar year which by themselves or totaled together are more than ten thousand dollars. Cash or asset contributions do not include donations to licensed charitable or nonprofit organizations; and

(d) Internal Revenue Service tax deductible status of contributions for charitable and nonprofit organizations.

#### IV.

Orient Express has waived its right to a hearing, based on the terms and conditions of this Settlement Order. On December 10, 2009, the licensee submitted its financial statement requested. The licensee is now in compliance with its financial records and agrees to the following terms and sanctions:

1) Orient Express' gambling license is hereby suspended for a period of **fifteen (15) days**, provided that:

- a) **Thirteen (13) days** of the suspension shall not be currently served, but shall be deferred for a period of one year from the date of entry of this Settlement Order, subject to the following: The licensee agrees not to violate the terms of this Settlement Order, or any of Washington's gambling statutes or regulations during the one (1) year term. If the licensee violates this Settlement Order or gambling statutes or regulations, and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose the thirteen-day deferred suspension of the current gambling licenses and any subsequently acquired gambling licenses.
- b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this agreement, has discretion to determine whether the licensee has violated any term of this agreement. In the event the Director determines that a violation of this agreement has occurred, he may suspend the license(s) issued to the licensee for up to thirteen days, by mailing or delivering a Notice of Order of Administrative Charges to the licensee. This suspension shall be in addition to any consequences of the new violation. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
- c) Pursuant to RCW 9.46.077, the licensee has chosen to vacate the remaining **two (2) days** of this suspension by a fine of **one thousand, five hundred dollars (\$1,500)**, which represents investigative costs.
- d) **The fine shall be paid in three installments over a three month period.**
  - i. The first installment of \$500 shall be by February 1, 2010
  - ii. The second installment of \$500 shall be due by March 1, 2010.
  - iii. The final installment of \$500 shall be due by April 1, 2010.
- e) **The signed order must be received by Commission staff on or before January 29, 2009.** Payment must be **mailed** to Commission Headquarters at the following address:

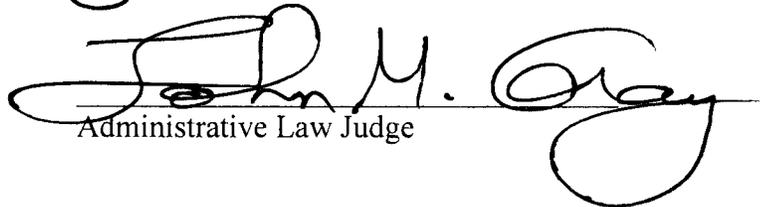
Washington State Gambling Commission  
Attention: Communications and Legal Division – Fines  
P.O. Box 42400  
Olympia, WA 98504-2400

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

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

- f) If the licensee makes its payments as provided in this settlement, this case will be closed. However, if the licensee fails to timely make any of the payments as provided in this settlement, the Director may impose an additional two (2) day suspension for each late payment. Serving the suspension would not, however, relieve the licensee of its obligation to pay its fine.

DATED this 2 day of February, 2010.

  
Administrative Law Judge

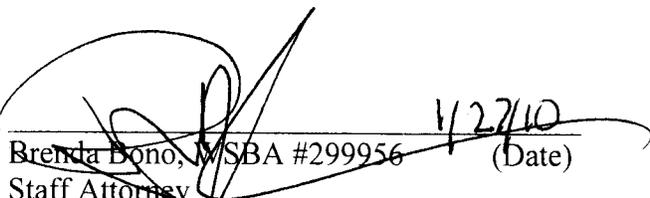
APPROVED FOR ENTRY:

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

  
\_\_\_\_\_  
Quao Zhao (Date) 1/25/10  
Orient Express

APPROVED AS TO FORM:

  
\_\_\_\_\_  
H. Bruce Marvin, WSBA #25152 (Date) 1/27/10  
Assistant Attorney General,  
Representing the Washington  
State Gambling Commission

  
\_\_\_\_\_  
Brenda Bono, WSBA #299956 (Date) 1/27/10  
Staff Attorney  
Washington State Gambling Commission