The Commission is providing a copy of this pleading (Accusation, or Statement of Reasons, Statement of Particulars, or Statement of Issues) so the public is as informed as possible of pending administrative proceedings regarding the allegations contained in the pleading. An Accusation, Statement of Issues, Statement of Reasons, or Statement of Particulars is simply an allegation of facts that, if true, may rise to the level of disciplinary action against or denial of a license, registration, work permit, or finding of suitability. The facts contained in the pleadings should not be taken as established or proven. The licensee/applicant will have an opportunity to dispute the allegations in a formal administrative proceeding.

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BEFORE THE

CALIFORNIA GAMBLING CONTROL COMMISSION

STATE OF CALIFORNIA

In the Matter of the First Amended Accusation and Statement of Issues Against: **ARISE, LLC (TPPP-000067) and DARRELL STUART MIERS (TPOW-000362), its Owner** **1033 Van Ness Avenue, Fresno, CA 93721** **Respondents.**	**BGC Case No. HQ2015-00001AL** **OAH No.** **FIRST AMENDED ACCUSATION AND STATEMENT OF ISSUES**

Complainant alleges as follows:

PARTIES

1. Wayne J. Quint, Jr. (former complainant) brought the initial Accusation in this case solely in his official capacity as the Director of the California Department of Justice, Bureau of Gambling Control (Bureau). Stephanie Shimazu (Complainant) is the successor to the former complainant and brings this First Amended Accusation and Statement of Issues

(Pleading) solely in her official capacity as the Bureau's Director.

2. Respondent Arise, LLC (Arise) is a licensed third-party provider of proposition player services (third-party provider), License Number TPPP-000067. Its sole owner is respondent Darrell Stuart Miers (Miers) (License Number TPOW-000362); he is endorsed on Arise's license.[1] Collectively, Arise and Miers are referred to in this Pleading as "Respondents."

3. The Commission issued the above-described licenses to Respondents pursuant to the Act and the regulations adopted under the Act. An application for renewal is pending as to each license. On June 22, 2017, the Commission considered the renewal applications. At that time, the Commission voted to refer the renewal applications to an evidentiary hearing pursuant to California Code of Regulations, title 4, section 12054, subdivision (a)(2) to be conducted as an Administrative Procedures Act hearing. (Cal. Code Regs., tit. 4, § 12058.) At that time, the Commission issued an interim renewal license to Arise and a badge for Miers.

SUMMARY OF THE CASE

4. The Act is an exercise of the state's police power for the protection of the health, safety, and welfare of the people of the State of California. (Bus. & Prof. Code, § 19971.) The Legislature has declared that the public trust requires comprehensive measures to ensure that gambling is free from criminal or corruptive elements. (Bus. & Prof. Code, § 19801, subd. (g).) The Legislature also has mandated that those persons who wish to avail themselves of the privilege of participating in California's licensed gambling industry make full and true disclosure to gambling regulators. (Bus. & Prof. Code, § 19866.)

[1] The regulations adopted under the Gambling Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.) provide that the Gambling Control Commission (Commission) shall issue a license certificate to the primary owner of the third-party provider of proposition player services. (Cal. Code Regs., tit. 4, § 12200.1, subd. (a).) The Commission then endorses upon the certificate the names of all other owners affiliated with the primary owner. (Cal. Code Regs., tit. 4, § 12200.1, subd. (b).) Arise is the primary owner because it is the business entity providing third-party proposition player services. (Cal. Code Regs., tit. 4, § 12200, subd. (b)(16), (18).) The statutes and regulations applicable to this Accusation are quoted in pertinent part in Appendix A.

5. This proceeding seeks to revoke Respondents' licenses, deny their renewal applications, impose fines and monetary penalties as allowed by law, and recover costs. Despite the requirements for full disclosure, Respondents failed to disclose, reveal, or report their participation, through affiliates, in the business of gambling in Florida. They also failed to comply immediately with a demand by the Florida Division of Pari-Mutuel Wagering (Florida Division) that they cease conducting gambling business activities in Florida. The failure to disclose violated Respondents' duties and responsibilities under the Act and the regulations adopted thereunder. The failure to comply immediately with the Florida Division's demand demonstrated that Respondents pose a threat to California's public interest and to effective regulation and control of controlled gambling.

6. Respondents further failed to comply with the Commission's regulations with respect to their operations in California. This further demonstrated that Respondents pose a threat to California's public interest and to effective regulation and control of controlled gambling.

7. Respondents' continued licensure or license renewal undermines the public trust that licensed gambling does not endanger the public health, safety, and welfare. It also undermines the public trust that the licensed gambling industry is free from corruptive elements. Respondents are not suitable for continued licensure, or renewal of their licenses, under the Act and regulations adopted pursuant thereto. Respondents' continued licensure, or renewal of their licenses, is inimical to the public health, safety, and welfare.

JURISDICTION, STANDARD OF PROOF, AND COST RECOVERY

7. The Commission has jurisdiction over the operation and concentration of gambling establishments and all persons and things having to do with operation of gambling establishments. (Bus. & Prof. Code, § 19811, subd. (b).) The Act tasks the Bureau with, among other responsibilities, investigating suspected violations of the Act and initiating disciplinary actions. (Bus. & Prof. Code, §§ 19826, subds. (c) & (e) & 19930, subd. (b).) Upon the Bureau filing an accusation, the Commission proceeds under Government Code section 11500 et seq. (Bus. & Prof Code, § 19930, subd. (b); see Cal. Code Regs., tit. 4, § 12554, subd.

(a).) The Commission's disciplinary powers include, among other things, revocation and imposition of a fine or monetary penalty. (Cal. Code Regs., tit. 4, § 12554, subd. (d).)

8. In an accusation brought under the Act, the standard of proof is the preponderance of the evidence. (Cal. Code Regs., tit. 4, § 12554, subd. (c).)

9. In a matter heard by an administrative law judge involving the revocation, suspension, or denial of a license, the Bureau may recover its costs of investigation and prosecuting the proceeding. (Bus. & Prof. Code, § 19930, subd. (d).)

FACTUAL BACKGROUND

10. Since 2009, Respondents have provided third-party proposition player services to Club One Casino (Club One), which is located in Fresno, California. Respondents also provide third-party proposition player services to The Deuce Lounge & Casino, which is located in Visalia, California. Respondents initially provided third-party proposition player services pursuant to registrations, which the Commission converted into the current licenses on March 12, 2015.

11. Respondents applied to convert their registrations into licenses on or about November 25, 2009. Respondents had applications for licensure pending between November 25, 2009, and March 12, 2015.

12. On December 4, 2013, former complainant filed an accusation against Respondents (Prior Accusation). In the Prior Accusation, former complainant sought revocation of Respondents' registrations and denial of their license applications. The Prior Accusation alleged, among other bases for revocation, that Respondents had received monies from unlicensed funding sources, made payments to Club One Casino before the Bureau approved a contract providing for those payments, unlawfully sold ownership interests in Arise, provided false and misleading information to the Bureau in connection with their applications for licensure, engaged agents who provided false and misleading information, and failed to assure that their agents provided accurate and true information to the Bureau.

13. Former complainant and Respondents reached a settlement of the Prior Accusation. In December 2014, former complainant and Respondents entered into a stipulated

settlement in which Respondents admitted to the truth of each and every charge and allegation made in the Prior Accusation. Respondents further agreed to (a) pay $100,000 denominated a "current fine," (b) pay $37,500 in costs, and (c) comply with the Act and the regulations adopted thereunder. Respondents agreed to pay a $150,000 additional fine if they failed to comply with the Act and the regulations adopted thereunder. On March 12, 2015, the Commission issued a Decision and Order approving the stipulated settlement and granting a license to Respondents to provide third-party proposition player services at licensed gambling establishments. (*In the Matter of the Accusation and Statement of Issues Against: Arise, LLC, et al.* (Mar. 12, 2015) Stipulated Settlement; Decision and Order (Decision and Order).)

14. In September 2014, while Respondents' applications were pending and before entering into the stipulated settlement, Miers acquired a Florida limited liability company that became Arise Gaming Florida (Arise Florida). Miers owned Arise Florida; Arise provided monies for Arise Florida both directly and indirectly. In September 2014, Arise Florida began to provide gambling-related services to card rooms located in pari-mutuel facilities in Florida.

15. Neither Respondents nor their agents disclosed any of the facts alleged in paragraph 14 to the Bureau or the Commission before entering into the stipulated settlement or becoming licensed.

16. On February 9, 2016, the Florida Division demanded that Arise Florida cease providing gambling-related services to card rooms located in pari-mutuel facilities in Florida. Arise Florida, however, did not comply with that demand. Instead and in violation of the Florida Division's demand, Arise Florida continued to provide gambling-related services until April 9, 2016, when Miers purported to relinquish his ownership in Arise Florida.

17. On or about March 30, 2016, Respondents, through their agents, first disclosed to the Bureau Arise Florida's existence and its gambling-related business and the Florida Division's demand that they cease conducting business activities.

18. On April 16, 2019, Bureau employees conducted an unannounced site visit to examine Arise's operations and compliance at Club One. The unannounced visit was part of the Bureau's background investigation into Respondents' suitability for renewal licensure.

During the April 16, 2019 visit, the Bureau found Respondents' actual operations violated the Commission's regulations with respect to matters that must be set forth in Arise's contract (Third-Party Contract) with Club One including, among other things, tipping policies, storage facilities, and card games for which services are provided.[2] On July 17, 2019, the Bureau issued a Letter of Warning to Respondents.

FIRST CAUSE FOR REVOCATION AND DENIAL

(Unqualified for Continued Licensure)

19. Respondents' licenses are subject to revocation, and their renewal applications are subject to denial, pursuant to Business and Professions Code section 19857, subdivisions (a) and (b) and California Code of Regulations, title 4, sections 12200.18, subdivision (f), and 12218.11, subdivision (e). The acts and omissions alleged in this Pleading demonstrate that Respondents unqualified for licensure. Those acts and omissions that make Respondents unqualified for continued licensure include, but are not limited to, the following:

a. During the application process and prior disciplinary proceeding, Respondents failed to disclose to the Bureau and the Commission their involvement in gambling-related activities in Florida as alleged in paragraphs 14 and 15 above. Respondents' failure to disclose demonstrates their lack of good character, honesty and integrity and their willingness to impede effective regulation by a lack of transparency.

b. Respondents failed to disclose to the Bureau and the Commission their involvement in gambling-related activities in Florida as alleged in paragraphs 14 and 15 above. Respondents' involvement in those gambling-related activities were specifically required to be disclosed in their applications. Respondents' involvement in those gambling-relating activities also was material to their

[2] A third-party provider is a person or entity that (1) provides funds and players necessary to maintain the play of certain card games that have a player-dealer position (see Pen. Code, § 330.11) and (2) is separate from the card room. Any agreement, contract, or arrangement between a card room and a third-party provider requires the Bureau's advance approval. (Bus. & Prof. Code, § 19894, subd. (a).) The Commission's regulations specify the content of those agreements or contracts. (Cal. Code Regs., tit. 4, § 12200.7, subd. (b).)

qualification for licensure because the information was important to examining Respondents' associations and business activities to determine whether those activities posed a threat to effective regulation and control of controlled gambling or enhanced the dangers of unsuitable, unfair, or illegal practices in carrying on the business and financial arrangements incidental to controlled gambling.

c. As described in paragraph 16 above, Respondents demonstrated an inability or unwillingness to comply with the lawful directives of agencies responsible for regulating gambling activities. Respondents failed to cease gambling-related activities in Florida when demanded to do so.

d. As described in paragraph 17 above, Respondents delayed disclosing both their gambling-related business and the Florida Division's demand to the Bureau.

e. As described in paragraphs 15 and 17 above, Respondents failed to make full and true disclosure to the Bureau and the Commission of all information as necessary to carry out the policies of California relating to licensing and control of gambling. As described in paragraph 13 above, Complainant agreed to, and the Commission approved, a settlement with Respondents, who had not disclosed their involvement in Arise Florida. Respondents' conduct deprived Complainant and the Commission of the opportunity to make fully informed decisions.

f. As described in paragraph 18 above, Respondents failed to comply with the Commission's regulations. Specifically, the Third-Party Contract that the Bureau approved provided for tips to certain persons at a denominated maximum. In practice, Arise's policy provided for tips to be paid to other persons at amounts exceeding the denominated maximum and averaged approximately one percent of the amount Arise won at the table during a player's shift. Additionally, the Third-Party Contract identified a specific location for storing currency, gambling chips, and other wagering instruments. In practice,

Arise stored money in another location not identified in the Third-Party Contract. Further, the Third-Party Contract identified certain Bureau-approved gaming activities for which Arise may provide proposition player services. In practice, Arise provided proposition player services for gaming activities not identified in the Third-Party Contract.

SECOND CAUSE FOR REVOCATION AND DENIAL

(Failing To Reveal Material Information to the Bureau)

20. Respondents' licenses are subject to revocation, and their renewal applications are subject to denial, pursuant to Business and Professions Code section 19859, subdivisions (a) and (b) and California Code of Regulations, title 4, sections 12200.18, subdivisions (b) and (f), and 12218.11, subdivision (f). As a result of their acts and omissions alleged in this Pleading, Respondents are disqualified from licensure. In connection with their earlier license application, Respondents failed to reveal their affiliation and monetary contributions to a gambling-related business conducted in Florida. The facts of that affiliation and those monetary contributions were material to qualification under the Act. Those acts and omissions that make Respondents disqualified from continued licensure include, but are not limited to, the following:

a. During the application process and in the prior disciplinary proceeding, Respondents failed to disclose to the Bureau and the Commission their involvement in gambling-related activities in Florida as alleged in paragraphs 14 and 15 above. The facts were material to Respondents' suitability because application forms specifically require disclosure of gambling-related businesses. Respondents' involvement in gambling-relating activities also was material to their qualification for licensure because the information was important to examining Respondents' associations and business activities for determining whether those activities posed a threat to effective regulation and control of controlled gambling or enhanced the dangers of unsuitable, unfair, or illegal practices in carrying on the business and financial arrangements incidental to controlled gambling.

b. As described in paragraphs 15 and 17 above, Respondents failed to make full and true disclosure to the Bureau and the Commission of all information as necessary to carry out the policies of California relating to licensing and control of gambling. As described in paragraph 13 above, Complainant agreed to, and the Commission approved, a settlement with Respondents, who had not disclosed their involvement in Arise Florida. Respondents' conduct deprived Complainant and the Commission of the opportunity to make fully informed decisions with respect to the pending application.

FACTORS IN AGGRAVATION OF PENALTY

21. Respondents admitted to the allegations contained in the Prior Accusation. Those allegations included Respondents' failure to make full and true disclosure to the Bureau. The acts and omissions alleged in this Pleading demonstrate that Respondents have engaged in the same or similar conduct for which they previously were disciplined.

22. In settling the Prior Accusation, Respondents agreed "that the failure to comply with the Act or any regulations adopted thereunder in any material respect . . . shall constitute a sufficient basis, in and of itself, to revoke their third party proposition player licenses." (Decision and Order, p. 4, ¶ 14.)

23. In settling the Prior Accusation, Respondents agreed to pay a $150,000 additional fine if either of them "fails to comply with the Act or any regulation adopted thereunder in any material respect . . . ." (Decision and Order, p. 4, ¶ 14.)

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Commission issue a decision:

1. Revoking, or denying the applications to renew, the licenses issued to Arise LLC (TPPP-000067) and Darrell Miers (TPOW-000362);

2. Imposing fines and monetary penalties in the maximum amounts allowed by law against Respondents, jointly and severally;

3. Imposing an additional fine of $150,000 as required by the Commission's prior Decision and Order resolving the Prior Accusation;

4. Awarding Complainant the costs of investigation and costs of bringing this Accusation before the Commission, pursuant to Business and Professions Code section 19930, subdivisions (d) and (f), in a sum according to proof; and

5. Taking such other and further action as the Commission may deem appropriate.

Dated: February 24, 2020

STEPHANIE SHIMAZU, Director
Bureau of Gambling Control
California Department of Justice

APPENDIX A – STATUTORY AND REGULATORY PROVISIONS

Jurisdictional Provisions

1. Business and Professions Code section 19811 provides, in part:

(b) Jurisdiction, including jurisdiction over operation and concentration, and supervision over gambling establishments in this state and over all persons or things having to do with the operations of gambling establishments is vested in the commission.

2. Business and Professions Code section 19823 provides:

(a) The responsibilities of the commission include, without limitation, all of the following:

(1) Assuring that licenses, approvals, and permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare.

(2) Assuring that there is no material involvement, directly or indirectly, with a licensed gambling operation, or the ownership or management thereof, by unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare.

(b) For the purposes of this section, "unqualified person" means a person who is found to be unqualified pursuant to the criteria set forth in Section 19857, and "disqualified person" means a person who is found to be disqualified pursuant to the criteria set forth in Section 19859.

3. Business and Professions Code section 19824 provides, in part:

The commission shall have all powers necessary and proper to enable it fully and effectually to carry out the policies and purposes of this chapter, including, without limitation, the power to do all of the following:

* * *

(b) For any cause deemed reasonable by the commission, . . . limit, condition, or restrict any license, permit, or approval, or impose any fine upon any person licensed or approved. The commission may condition, restrict, discipline, or take action against the license of an individual owner endorsed on the license certificate of the gambling enterprise whether or not the commission takes action against the license of the gambling enterprise.

* * *

(d) Take actions deemed to be reasonable to ensure that no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled gambling activities.

4. Business and Professions Code section 19826 provides, in part:

The department[3] . . . shall have all of the following responsibilities:

* * *

(c) To investigate suspected violations of this chapter or laws of this state relating to gambling . . . .

* * *

(e) To initiate, where appropriate, disciplinary actions as provided in this chapter. In connection with any disciplinary action, the department may seek restriction, limitation, suspension, or revocation of any license or approval, or the imposition of any fine upon any person licensed or approved.

5. Business and Professions Code section 19984 provides, in part:

(b) The commission shall establish reasonable criteria for, and require the licensure and registration of, any person or entity that provides proposition player services to gambling establishments pursuant to this section, including owners, supervisors, and players.

(c) The department, pursuant to regulations of the commission, is empowered to perform background checks, financial audits, and other investigatory services as needed to assist the commission is regulating third party providers of proposition player services . . . .

6. California Code of Regulations, title 4, section 12554 provides, in part:

(a) Upon the filing with the Commission of an accusation by the Bureau recommending revocation, suspension, or other discipline of a holder of a license, registration, permit, finding of suitability, or approval, the Commission shall proceed under Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

* * *

(d) Upon a finding of a violation of the Act, any regulations adopted pursuant thereto, any law related to gambling or gambling establishments, violation of a previously imposed disciplinary or license condition, or laws whose violation is materially related to suitability for a license, registration, permit, or approval, the Commission may do any one or more of the following:

---

[3] "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd. (h).)

(1) Revoke the license, registration, permit, finding of suitability, or approval;

(2) Suspend the license, registration, or permit;

* * *

(4) Impose any condition, limitation, order, or directive . . . ;

(5) Impose any fine or monetary penalty consistent with Business and Professions Code sections 19930, subdivision (c), and 19943, subdivision (b)

Cost Recovery Provisions

7. Business and Professions Code section 19930 provides, in part:

(b) If, after any investigation, the department is satisfied that a license, permit, finding of suitability, or approval should be suspended or revoked, it shall file an accusation with the commission in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

* * *

(d) In any case in which the administrative law judge recommends that the commission revoke, suspend, or deny a license, the administrative law judge may, upon presentation of suitable proof, order the licensee or applicant for a license to pay the department the reasonable costs of the investigation and prosecution of the case.

(1) The costs assessed pursuant to this subdivision shall be fixed by the administrative law judge and may not be increased by the commission. When the commission does not adopt a proposed decision and remands the case to the administrative law judge, the administrative law judge may not increase the amount of any costs assessed in the proposed decision.

(2) The department may enforce the order for payment in the superior court in the county in which the administrative hearing was held. The right of enforcement shall be in addition to any other rights that the division may have as to any licensee to pay costs.

(3) In any judicial action for the recovery of costs, proof of the commission's decision shall be conclusive proof of the validity of the order of payment and the terms for payment.

* * *

(f) For purposes of this section, "costs" include costs incurred for any of the following:

(1) The investigation of the case by the department.

(2) The preparation and prosecution of the case by the Office of the Attorney General.

Specific Statutory and Regulatory Provisions

8. Business and Professions Code, section 19801 provides, in part:

(g) Public trust that permissible gambling will not endanger public health, safety, or welfare requires that comprehensive measures be enacted to ensure that gambling is free from criminal and corrupt elements, that it is conducted honestly and competitively, and that it is conducted at suitable locations.

(h) Public trust and confidence can only be maintained by strict comprehensive regulation of all persons, locations, practices, associations, and activities related to the operation of lawful gambling establishments and the manufacture and distribution of permissible gambling equipment.

(i) All gambling operations, all persons having a significant involvement in gambling operations, all establishments where gambling is conducted, and all manufacturers, sellers, and distributors of gambling equipment must be licensed and regulated to protect the public health, safety, and general welfare of the residents of this state as an exercise of the police powers of the state.

* * *

(k) In order to effectuate state policy as declared herein, it is necessary that gambling establishments, activities, and equipment be licensed, that persons participating in those activities be licensed or registered, that certain transactions, events, and processes involving gambling establishments and owners of gambling establishments be subject to prior approval or permission, that unsuitable persons not be permitted to associate with gambling activities or gambling establishments . . . . Any license or permit issued, or other approval granted pursuant to this chapter, is declared to be a revocable privilege, and no holder acquires any vested right therein or thereunder.

9. Business and Professions Code section 19856 provides, in part:

> (a) . . . . The burden of proving his or her qualifications to receive any license is on the applicant.
>
> (b) An application to receive a license constitutes a request for a determination of the applicant's general character, integrity, and ability to participate in, engage in, or be associated with, controlled gambling.

10. Business and Professions Code section 19857 provides:

> No gambling license shall be issued unless, based on all the information and documents submitted, the commission is satisfied that the applicant is all of the following:
>
> (a) A person of good character, honesty and integrity.
>
> (b) A person whose prior activities, criminal record, if any, reputation, habits, and associations do not pose a threat to the public interest of this state, or to the effective regulation and control of controlled gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of controlled gambling or in the carrying on of the business and financial arrangements incidental thereto.
>
> (c) A person that is in all other respects qualified to be licensed as provided in this chapter.

12. Business and Professions Code section 19859 provides, in part:

> The commission shall deny a license to any applicant who is disqualified for any of the following reasons:
>
> (a) Failure of the applicant to clearly establish eligibility and qualification in accordance with this chapter.
>
> (b) . . . failure of the applicant to reveal any fact material to qualification, or the supplying of information that is untrue or misleading as to a material fact pertaining to the qualification criteria.

13. Business and Professions Code section 19866 provides:

> An applicant for licensing or for any approval or consent required by this chapter, shall make full and true disclosure of all information to the department and the commission as necessary to carry out the policies of this state relating to licensing, registration, and control of gambling.

14. Business and Professions Code section 19971 provides:

> This act is an exercise of the police power of the state for the protection of the health, safety, and welfare of the people of the State

of California, and shall be liberally construed to effectuate those purposes.

15. California Code of Regulations, title 4, section 12200, subdivision (b), provides, in part:

(b) As used in this chapter:

* * *

(16) "Owner" includes all of the following:

(A) A sole proprietor, corporation, partnership, or other business entity that provides or proposes to provide third party proposition player services as an independent contractor in a gambling establishment

* * *

(18) "Primary Owner" means the owner specified in subparagraph (A) of paragraph (16) of this subsection.

16. California Code of Regulations, title 4, section 12200.1 provides:

(a) The Commission shall issue a registration or license certificate, as applicable, to each primary owner.

(b) The Commission shall endorse upon each certificate the names of all other owners affiliated with the primary owner.

17. California Code of Regulations, title 4, section 12200.7, subdivision (b) provides, in part:

(b) Each proposition player contract shall specifically require all of the following to be separately set forth at the beginning of the contract in the following order:

***

(3) The specific name of the Bureau-approved gaming activities for which proposition player services may be provided.

***

(7) A detailed description of the location, applicable security measures, and purpose of any currency, chips, or other wagering instruments that will be stored, maintained, or kept within the gambling establishment by or on behalf of the primary owner.

***

(19) That any tipping arrangements shall be specified in the contract and that percentage tips shall not be given. If there are no tipping arrangements, a statement to that effect shall be included.

***

(21) That the contract is a complete expression of all agreements and financial arrangements between the parties; that any addition to or modification of the contract, including any supplementary written or oral agreements, must be approved in advance by the Bureau pursuant to Section 12201.10B (Review and Approval of Amendments to Proposition Player Contracts) before the addition or modification takes effect.

18. California Code of Regulations, title 4, section 12200.9, subdivision (a)(1) provides, in part:

> Proposition player services must not be provided except pursuant to a written proposition player contract approved in advance by the Bureau. . . . The Bureau must approve a proposition player contract only if all the following requirements have been satisfied:
>
> (A) The contract is consistent with this regulation and the Act.

19. California Code of Regulations, title 4, section 12200.18 provides, in part:

> The Commission may revoke a registration or license, upon any of the following grounds, after a hearing conducted pursuant to the same procedures applicable to the revocation of a gambling establishment license:
>
> * * *
>
> (b) . . . . Any act or omission by the licensee that would disqualify the licensee from obtaining licensing under this chapter.
>
> * * *
>
> (f) The registrant or licensee concealed or refused to disclose any material fact in any inquiry by the Bureau or the Commission.

20. California Code of Regulations, title 4, section 12218.11 provides, in part:

> A requester shall be ineligible for licensing for any of the following causes:
>
> * * *
>
> (e) The requester has failed to meet the requirements of Business and Professions Code sections 19856 or 19857.
>
> (f) The requester would be ineligible for a state gambling license under any of the criteria set forth in Business and Professions Code section 19859, subdivisions (b), (e), or (f).