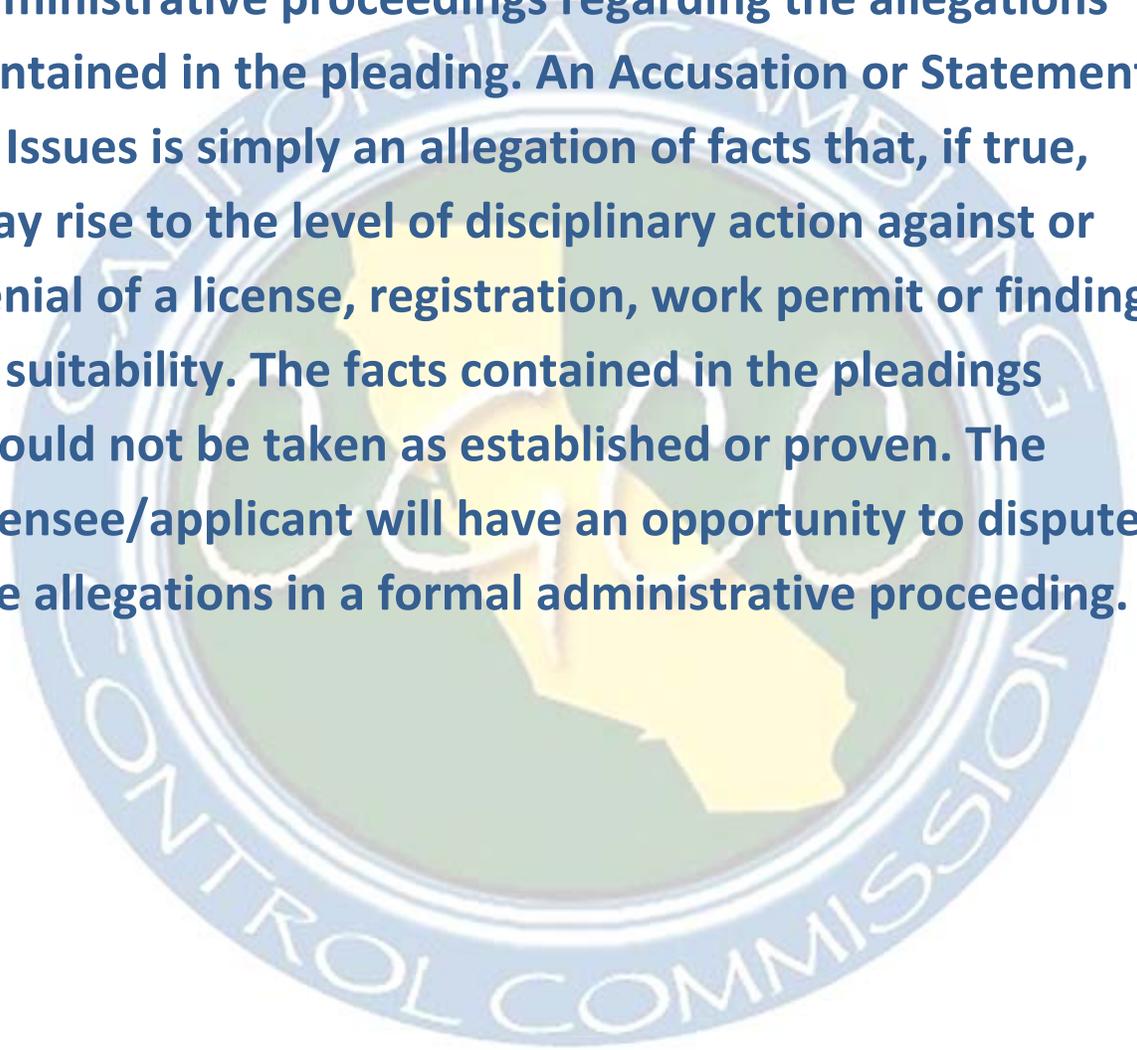


**The Commission is providing a copy of this disciplinary pleading (Accusation, or Statement of Reasons, Statement of Particulars, or Statement of Issues) so the public is as informed as possible of pending administrative proceedings regarding the allegations contained in the pleading. An Accusation or Statement of Issues 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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9  
10 **BEFORE THE**  
11 **CALIFORNIA GAMBLING CONTROL COMMISSION**  
12 **STATE OF CALIFORNIA**

13  
14 **In the Matter of the First Amended**  
15 **Accusation and Statement of Issues Against:**

16 **CB Certified Banker, Inc.,**  
license no. TPPP-000028,  
14501 Magnolia Street, #100  
17 Westminster, California 92683

18 and

19 **Tam Si Luu,** sole shareholder,  
President, Secretary and Treasurer,  
20 license no. TPOW-000135  
14501 Magnolia Street, #100  
21 Westminster, California 92683

22  
23 **Respondents.**  
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28

**BGC No.: BGC-HQ2014-00004AL**

**OAH No. 2015020871**

**FIRST AMENDED ACCUSATION and**  
**STATEMENT OF ISSUES**

1 Complainant alleges as follows:

2 **PARTIES**

3 1. Wayne J. Quint, Jr. (Complainant) brings this First Amended Accusation and  
4 Statement of Issues solely in his official capacity as the Chief of the California Department of  
5 Justice, Bureau of Gambling Control (Bureau).

6 2. On or about September 22, 2010, the California Gambling Control Commission  
7 (Commission) issued a Third-Party Proposition Player Services Primary Provider License,  
8 number TPPP-000028, to CB Certified Banker, Inc., to provide third-party proposition player  
9 services. This license will expire on January 31, 2015, unless renewed or extended.<sup>1</sup>

10 The sole shareholder (owner), president, secretary and treasurer of CB Certified Banker,  
11 Inc., is Tam Si Luu. On or about September 22, 2010, the Commission issued a Third-Party  
12 Proposition Player Services Owner License, number TPOW-000135, to Tam Si Luu as owner of  
13 CB Certified Banker, Inc. This license will expire on January 31, 2015, unless renewed or  
14 extended.<sup>2</sup>

15 On or about September 22, 2010, the Commission issued a Gambling Business License,  
16 number TPPP-000069, to CB Certified Banker, Inc., and a Gambling Business Owner License,  
17 number TPOW-000311, to Tam Si Luu. Those licenses expired on September 30, 2014, and were  
18 not renewed.<sup>3</sup>

19 CB Certified Banker, Inc. and Tam Si Luu are hereinafter referred to collectively as  
20 Respondents.

21  
22  
23 <sup>1</sup> On or about February 3, 2005, CB Certified Banker, Inc., was registered as a third-party  
24 proposition player services provider. That registration was extinguished when the Commission  
25 issued a license to CB Certified Banker, Inc.

26 <sup>2</sup> On or about February 3, 2005, Tam Si Luu, was registered as a third-party proposition  
27 player services provider owner. That registration was extinguished when the Commission issued  
28 a license to Tam Si Luu.

<sup>3</sup> On or about May 19, 2008, CB Certified Banker, Inc., was registered as a gambling  
business and Tam Si Luu was registered as a gambling business owner. Those registration were  
extinguished when the Commission issued licenses to CB Certified Banker, Inc. and Tam Si Luu.

1           3.    On January 22, 2015, the Commission declined to approve the Respondents'  
2 applications to renew their licenses. Rather the Commission referred the issue of the  
3 Respondents' suitability to have their license renewed to hearing to be consolidated with the  
4 hearing on the Accusation that was filed in this matter.<sup>4</sup>

5                           **FIRST CAUSE OF ACTION FOR REVOCATION AND DENIAL**

6                           **(Financial Interest In a Business Engaged in Prohibited Gambling)**

7           4.    Respondents' licenses are subject to revocation and denial in that Tam Si Luu has an  
8 ownership interest in Lucky Dragonz Casino, a licensed cardroom in the State of Washington,  
9 which offers forms of gambling that are prohibited by Penal Code section 330.

10                   (Bus. & Prof. Code, §§ 19852, subd. (a), 19857 & 19858; Cal. Code. Regs., tit. 4, §§  
11 12218.11, subd. (g), & 12560, subd. (e)(2).)

12                           **SECOND CAUSE OF ACTION FOR REVOCATION AND DENIAL**

13                           **(Failure To Comply With Commission's Condition For Licensure)**

14           5.    Respondents' licenses are subject to revocation and denial in that on or about  
15 November 8, 2012, the Commission approved the renewal of Respondents' licenses upon, among  
16 other conditions, the condition that beginning with the January 2013 quarter, and every quarter  
17 thereafter, Respondents timely provide quarterly reports to the Bureau. Respondents have failed  
18 to comply with this condition for licensure.

19                   (Bus. & Prof. Code, §§ 19852, subd. (a), & 19857; Cal. Code. Regs., tit. 4, § 12560, subd.  
20 (b)(1).)

21                           **THIRD CAUSE OF ACTION FOR REVOCATION AND DENIAL**

22                           **(Failure to Fully Disclose Financial Arrangements)**

23           6.    Respondents' licenses are subject to revocation and denial in that in or about 2012  
24 Respondents failed to fully disclose to the Bureau the financial arrangements and/or comply with  
25 the terms of their approved contracts to provide third-party proposition player services to licensed  
26

27                   <sup>4</sup> At its January 22, 2015, meeting, the Commission also issued the Respondents interim  
28 renewal licenses, with conditions, so that they may continue to operate pending the final outcome  
of this case.

1 gambling establishments. Respondents paid the Cameo Club approximately \$112,000.00 for  
2 contract fees and promotions. Respondents' approved contract with the Cameo Club did not  
3 provide for any such payments. Also, Respondents paid the Normandie Club approximately  
4 \$111,369.00 in excess of the amount allowed by their approved contract with that gambling  
5 establishment for contract fees and promotions.

6 (Bus. & Prof. Code, §§ 19852, subd. (a), 19857, 19984, subd. (a); Cal. Code. Regs., tit. 4,  
7 §§ 12200.7, subds. (b)(8), (b)(15), (c)(1) & (c)(2), 12218.11, subds. (h) & (i), 12560, subds.  
8 (b)(4), (b)(8) & (e)(2).)

#### 9 **FOURTH CAUSE OF ACTION FOR REVOCATION AND DENIAL**

##### 10 **(Failure to Fully Disclose Financial Arrangements)**

11 7. Respondents' licenses are subject to revocation and denial in that Respondents have  
12 demonstrated a pattern and practice of repeated disregard of the laws, regulations and rules  
13 governing licensed gambling. In addition to the conduct alleged above in paragraphs 3, 4 and 5  
14 and incorporated herein by reference, from on or about February 2010, through August 2012,  
15 Respondents were issued at least eight (8) Letters of Warning for their non-compliance with the  
16 laws and regulations governing licensed gambling.

17 (Bus. & Prof. Code, §§ 19852, subd. (a), 19857 & 19984, subd. (a); Cal. Code. Regs., tit.  
18 4, §§ 12218.11, subds. (e) & (i) & 12560, subd. (e)(2).)

#### 19 **JURISDICTION**

20 8. Business and Professions Code section 19811, subdivision (b) provides:

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

24 9. Business and Professions Code section 19984, subdivision (b) provides, in pertinent  
25 part:

26 [A] licensed gambling enterprise may contract with a third party for  
27 the purpose of providing proposition player services at a gambling  
28 establishment, subject to the following conditions:

1 (a) Any agreement, contract, or arrangement between a  
2 gambling enterprise and a third-party provider of proposition  
3 player services shall be approved in advance by the  
4 department,<sup>[5]</sup> and in no event shall a gambling enterprise or  
the house have any interest, whether direct or indirect, in  
funds wagered, lost, or won.

5 (b) The commission shall establish reasonable criteria  
6 for, and require the licensure and registration of, any person,<sup>[6]</sup>  
7 or entity that provides proposition player services at gambling  
8 establishments pursuant to this section, including owners,  
supervisors, and players.

9 10. Business and Professions Code section 19823, subdivision (a) provides:

10 The responsibilities of the commission include, without limitation,  
11 all of the following:

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

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

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

20 The commission shall have all powers necessary and proper to  
21 enable it fully and effectually to carry out the policies and purposes of  
22 this chapter,<sup>[7]</sup> including, without limitation, the power to do all of the  
following:

23 \_\_\_\_\_  
24 <sup>5</sup> "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd.  
(h).)

25 <sup>6</sup> Business and Professions Code, section 19805, subdivision (ae), provides that  
26 "[p]erson" unless otherwise indicated, includes a natural person, corporation, partnership, limited  
partnership, trust, joint venture, association, or any other business organization."

27 <sup>7</sup> "Chapter" refers to Business and Professions Code, division 8, chapter 5 (commencing  
28 with section 19800), also known as the Gambling Control Act.

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\* \* \*

(b) For any cause deemed reasonable by the commission, deny any application for a license, permit, or approval . . . or . . . limit, condition, or restrict any license, permit, or approval, or impose any fine upon any person licensed or approved. . . .

\* \* \*

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

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

The department 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.

13. Business and Professions Code section 19930, subdivision (b) provides:

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.

14. California Code of Regulations, title 4, section 12554, subdivision (a), provides, in part:

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.

1 COST RECOVERY

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

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

8 \* \* \*

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

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

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

14 SPECIFIC STATUTORY AND REGULATORY PROVISIONS

15 16. Business and Professions Code section 19857 provides, in part,

16 (a) . . . The burden of proving his or her qualifications to  
17 receive any license is on the applicant.

18 (b) An application to receive a license constitutes a request for a  
19 determination of the applicant's general character, integrity, and ability  
20 to participate in, engage in, or be associated with, controlled gambling.

21 17. California Code of Regulations, title 4, section 12554, subdivision (c) provides, in  
22 pertinent part:

23 (c) The Administrative Law Judge and Commission shall base  
24 their decision on written findings of fact, including findings  
25 concerning any relevant aggravating or mitigating factors. Findings of  
26 fact shall be based upon a preponderance of evidence standard. The  
27 "preponderance of evidence standard" is such evidence as when  
28 considered and compared with that opposed to it, has more convincing  
force, and produces a belief in the mind of the fact-finder that what is  
sought to be proved is more likely true than not true.

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18. Business and Professions Code section 19857 provides, in part:

No gambling license shall be issued unless, based on all of 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.

19. Business and Professions Code section 19858, subdivision (a), provides in pertinent part:

[A] person shall be deemed to be unsuitable to hold a state gambling license to own a gambling establishment if the person, or any partner, officer, director, or shareholder of the person, has any financial interest in any business or organization that is engaged in any form of gambling prohibited by Section 330 of the Penal Code, whether within or without this state.

20. Business and Professions Code section 19852 provides, in part:

[A]n owner of a gambling enterprise that is not a natural person shall not be eligible for a state gambling license unless each of the following persons individually applies for and obtains a state gambling license:

- (a) If the owner is a corporation, then each officer, director, and shareholder . . . .

21. Penal Code section 330 provides:

Every person who deals, plays, or carries on, opens, or causes to be opened, or who conducts, either as an owner of employee, whether for hire or not, any game of faro, monte, roulette, lansquenet, rouge et noir, rondo, tan, fan-tan, seven-and-a-half, twenty-one, hokey-pokey, or any banking or percentage game played with cards, dice, or any device, for money, checks, credit, or other representation of value, and every person who plays or bets at or against any one of those prohibited games, is guilty of a misdemeanor, and shall be punished by a fine of not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding six months, or by both fine and imprisonment.



1 23. California Code of Regulations, title 4, section 12200.18, provides, in pertinent part:

2 The Commission may revoke a registration or license, upon any of  
3 the following grounds, after a hearing conducted pursuant to the same  
4 procedures applicable to the revocation of a gambling establishment  
5 license:

6 (a) The registrant or licensee committed, attempted to commit,  
7 or conspired to commit any acts prohibited by the Act<sup>[8]</sup> or this  
8 chapter.<sup>[9]</sup>

9 24. California Code of Regulations, title 4, section 12218.11, provides, in pertinent part:

10 A requester shall be ineligible for licensing for any of the  
11 following causes:

12 \* \* \*

13 (e) The requester has failed to meet the requirements of  
14 Business and Professions Code sections 19856 or 19857.

15 \* \* \*

16 (g) The requester would be ineligible for a state gambling  
17 license under Business and Professions Code section 19858.

18 (h) The requester has violated one or more of the  
19 prohibitions set forth in paragraph[s] . . . (1) . . . of subsection (c)  
20 of Section 12200.7.

21 (i) The requester has failed to comply with one or more of  
22 the requirements set forth in paragraph[s] . . . (15) . . . of  
23 subsection (b) of Section 12200.7 . . . .

24 22. California Code of Regulations, title 4, section 12560, subdivisions (b) and (e),  
25 provide, in pertinent part:

26 (b) A license or registration granted by the Commission for an  
27 owner of a third-party provider of proposition player services, as that  
28 terms is used in California Code of Regulations, Title 4, Section 12200,  
shall be subject to . . . a maximum discipline of revocation . . . if the  
Commission finds that:

<sup>8</sup> "Act" refers to the Gambling Control Act, Business and Professions Code, division 8,  
chapter 5 (commencing with section 19800).

<sup>9</sup> "Chapter" refers to the California Code of Regulations, title 4, division 18, chapter 2.1  
(commencing with section 12200).

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(1) The owner has violated or is out of compliance with any conditions, limitations, orders, or directives imposed by the Commission, either as a part of an initial grant of license or registration, renewal of such, or pursuant to disciplinary action.

\* \* \*

(4) The owner has engaged in dishonest, fraudulent, or deceptive activities in connection with controlled gambling or the provision of proposition player services.

\* \* \*

(8) The owner has failed to fully disclose financial arrangements in violation of California Code of Regulations, Title 4, Section 12200.7, subsection (b)(15).

\* \* \*

(e) A license or registration granted by the Commission for an owner of a third-party provider of proposition player services . . . shall be subject to revocation if the Commission finds that:

\* \* \*

(2) The owner . . . no longer meets the criterion for eligibility, pursuant to California Code of Regulations; Title 4, Sections 12204 or 12218.11.

**PRAYER**

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

1. Revoke and deny the renewal of license number TPPP-000028, issued to CB Certified Banker, Inc.;
2. Revoke and deny the renewal of license number TPOW-000135, issued to Tam Si Luu, sole shareholder (owner), president, secretary and treasurer of CB Certified Banker, Inc.;
3. Award Complainant the costs of investigation and costs of bringing this First Amended Accusation and Statement of Issues before the Commission, pursuant to Business and Professions Code section 19930, in a sum according to proof, from the Respondents jointly and severally; and

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4. Take such other and further action as the Commission may deem appropriate.

Dated: October 14, 2015

  
WAYNE J. QUINT, JR., Chief  
Bureau of Gambling Control  
Department of Justice  
State of California  
Complainant

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*Attorneys for Complainant.*

9 **BEFORE THE**  
10 **CALIFORNIA GAMBLING CONTROL COMMISSION**  
11 **STATE OF CALIFORNIA**

14 **In the Matter of the Accusation Against:**  
15 **CB Certified Banker, Inc.,**  
license no. TPPP-000028,  
16 14501 Magnolia Street, #100  
Westminster, California 92683  
17 and  
18 **Tam Si Luu,** sole shareholder,  
19 President, Secretary and Treasurer,  
license no. TPOW-000135  
20 14501 Magnolia Street, #100  
Westminster, California 92683  
21  
22 **Respondents.**  
23

**BGC No.: BGC-HQ2014-00004AL**

**OAH No. \_\_\_\_\_**

**ACCUSATION**

1 Complainant alleges as follows:

2 **PARTIES**

3 1. Wayne J. Quint, Jr. (Complainant) brings this Accusation solely in his official  
4 capacity as the Chief of the California Department of Justice, Bureau of Gambling Control  
5 (Bureau).

6 2. On or about September 22, 2010, the California Gambling Control Commission  
7 (Commission) issued a Third-Party Proposition Player Services Primary Provider License,  
8 number TPPP-000028, to CB Certified Banker, Inc., to provide third-party proposition player  
9 services. This license will expire on January 31, 2015, unless renewed or extended.<sup>1</sup>

10 The sole shareholder (owner), president, secretary and treasurer of CB Certified Banker,  
11 Inc., is Tam Si Luu. On or about September 22, 2010, the Commission issued a Third-Party  
12 Proposition Player Services Owner License, number TPOW-000135, to Tam Si Luu as owner of  
13 CB Certified Banker, Inc. This license will expire on January 31, 2015, unless renewed or  
14 extended.<sup>2</sup>

15 On or about September 22, 2010, the Commission issued a Gambling Business License,  
16 number TPPP-000069, to CB Certified Banker, Inc., and a Gambling Business Owner License,  
17 number TPOW-000311, to Tam Si Luu. Those licenses expired on September 30, 2014, and were  
18 not renewed.<sup>3</sup>

19 CB Certified Banker, Inc. and Tam Si Luu are hereinafter referred to collectively as  
20 Respondents.

21  
22  
23 <sup>1</sup> On or about February 3, 2005, CB Certified Banker, Inc., was registered as a third-party  
24 proposition player services provider. That registration was extinguished when the Commission  
issued a license to CB Certified Banker, Inc.

25 <sup>2</sup> On or about February 3, 2005, Tam Si Luu, was registered as a third-party proposition  
26 player services provider owner. That registration was extinguished when the Commission issued  
a license to Tam Si Luu.

27 <sup>3</sup> On or about May 19, 2008, CB Certified Banker, Inc., was registered as a gambling  
28 business and Tam Si Luu was registered as a gambling business owner. Those registration were  
extinguished when the Commission issued licenses to CB Certified Banker, Inc. and Tam Si Luu.

1 **FIRST CAUSE OF ACTION FOR REVOCATION**

2 **(Financial Interest In a Business Engaged in Prohibited Gambling)**

3 3. Respondents' licenses are subject to revocation in that Tam Si Luu has an ownership  
4 interest in Lucky Dragonz Casino, a licensed cardroom in the State of Washington, which offers  
5 forms of gambling that are prohibited by Penal Code section 330.

6 (Bus. & Prof. Code, §§ 19852, subd. (a), 19857 & 19858; Cal. Code. Regs., tit. 4, §§  
7 12218.11, subd. (g), & 12560, subd. (e)(2).)

8 **SECOND CAUSE OF ACTION FOR REVOCATION**

9 **(Failure To Comply With Commission's Condition For Licensure)**

10 4. Respondents' licenses are subject to revocation in that on or about November 8, 2012,  
11 the Commission approved the renewal of Respondents' licenses upon, among other conditions,  
12 the condition that beginning with the January 2013 quarter, and every quarter thereafter,  
13 Respondents timely provide quarterly reports to the Bureau. Respondents have failed to comply  
14 with this condition for licensure.

15 (Bus. & Prof. Code, §§ 19852, subd. (a), & 19857; Cal. Code. Regs., tit. 4, § 12560, subd.  
16 (b)(1).)

17 **THIRD CAUSE OF ACTION FOR REVOCATION**

18 **(Failure to Fully Disclose Financial Arrangements)**

19 5. Respondents' licenses are subject to revocation in that in or about 2012 Respondents  
20 failed to fully disclose to the Bureau the financial arrangements and/or comply with the terms of  
21 their approved contracts to provide third-party proposition player services to licensed gambling  
22 establishments. Respondents paid the Cameo Club approximately \$112,000.00 for contract fees  
23 and promotions. Respondents' approved contract with the Cameo Club did not provide for any  
24 such payments. Also, Respondents paid the Normandie Club approximately \$111,369.00 in  
25 excess of the amount allowed by their approved contract with that gambling establishment for  
26 contract fees and promotions.

1 (Bus. & Prof. Code, §§ 19852, subd. (a), 19857, 19984, subd. (a); Cal. Code. Regs., tit. 4,  
2 §§ 12200.7, subds. (b)(8), (b)(15), (c)(1) & (c)(2), 12218.11, subds. (h) & (i), 12560, subds.  
3 (b)(4), (b)(8) & (e)(2).)

4 **FOURTH CAUSE OF ACTION FOR REVOCATION**

5 **(Failure to Fully Disclose Financial Arrangements)**

6 6. Respondents' licenses are subject to revocation in that Respondents have  
7 demonstrated a pattern and practice of repeated disregard of the laws, regulations and rules  
8 governing licensed gambling. In addition to the conduct alleged above in paragraphs 3, 4 and 5  
9 and incorporated herein by reference, from on or about February 2010, through August 2012,  
10 Respondents were issued at least eight (8) Letters of Warning for their non-compliance with the  
11 laws and regulations governing licensed gambling.

12 (Bus. & Prof. Code, §§ 19852, subd. (a), 19857 & 19984, subd. (a); Cal. Code. Regs., tit.  
13 4, §§ 12218.11, subds. (e) & (i) & 12560, subd. (e)(2).)

14 **JURISDICTION**

15 7. Business and Professions Code section 19811, subdivision (b) provides:

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

20 8. Business and Professions Code section 19984, subdivision (b) provides, in pertinent  
21 part:

22 [A] licensed gambling enterprise may contract with a third party for  
23 the purpose of providing proposition player services at a gambling  
24 establishment, subject to the following conditions:

25 (a) Any agreement, contract, or arrangement between a  
26 gambling enterprise and a third-party provider of proposition  
27 player services shall be approved in advance by the  
28 department,<sup>[4]</sup> and in no event shall a gambling enterprise or  
the house have any interest, whether direct or indirect, in  
funds wagered, lost, or won.

<sup>4</sup> "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd. (h).)

1 (b) The commission shall establish reasonable criteria  
2 for, and require the licensure and registration of, any person,<sup>[5]</sup>  
3 or entity that provides proposition player services at gambling  
4 establishments pursuant to this section, including owners,  
5 supervisors, and players.

6 9. Business and Professions Code section 19823, subdivision (a) provides:

7 The responsibilities of the commission include, without limitation,  
8 all of the following:

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

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

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

20 The commission shall have all powers necessary and proper to  
21 enable it fully and effectually to carry out the policies and purposes of  
22 this chapter,<sup>[6]</sup> including, without limitation, the power to do all of the  
23 following:

24 \* \* \*

25 (b) For any cause deemed reasonable by the commission . . .  
26 limit, condition, or restrict any license, permit, or approval, or  
27 impose any fine upon any person licensed or approved. . . .

28 \* \* \*

---

25 <sup>5</sup> Business and Professions Code, section 19805, subdivision (ae), provides that  
26 “[p]erson’ unless otherwise indicated, includes a natural person, corporation, partnership, limited  
27 partnership, trust, joint venture, association, or any other business organization.”

28 <sup>6</sup> “Chapter” refers to Business and Professions Code, division 8, chapter 5 (commencing  
with section 19800), also known as the Gambling Control Act.

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

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

5 The department shall have all of the following responsibilities:

6 \* \* \*

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

9 \* \* \*

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

15 12. Business and Professions Code section 19930, subdivision (b) provides:

16 If, after any investigation, the department is satisfied that a license,  
17 permit, finding of suitability, or approval should be suspended or revoked,  
18 it shall file an accusation with the commission in accordance with Chapter  
19 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of  
20 the Government Code.

21 13. California Code of Regulations, title 4, section 12554, subdivision (a), provides, in  
22 part:

23 Upon the filing with the Commission of an accusation by the Bureau  
24 recommending revocation, suspension, or other discipline of a holder of a  
25 license, registration, permit, finding of suitability, or approval, the  
26 Commission shall proceed under Chapter 5 (commencing with section  
27 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

28 **COST RECOVERY**

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

(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 \* \* \*

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

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

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

7 **SPECIFIC STATUTORY AND REGULATORY PROVISIONS**

8 15. Business and Professions Code section 19857 provides, in part:

9 No gambling license shall be issued unless, based on all of the  
10 information and documents submitted, the commission is satisfied that  
11 the applicant is all of the following:

12 (a) A person of good character, honesty, and integrity.

13 (b) A person whose prior activities, criminal record, if any,  
14 reputation, habits, and associations do not pose a threat to the public  
15 interest of this state, or to the effective regulation and control of  
16 controlled gambling, or create or enhance the dangers of unsuitable,  
17 unfair, or illegal practices, methods, and activities in the conduct of  
18 controlled gambling or in the carrying on of the business and financial  
19 arrangements incidental thereto.

20 16. Business and Professions Code section 19858, subdivision (a), provides in pertinent  
21 part:

22 [A] person shall be deemed to be unsuitable to hold a state gambling  
23 license to own a gambling establishment if the person, or any partner,  
24 officer, director, or shareholder of the person, has any financial interest  
25 in any business or organization that is engaged in any form of gambling  
26 prohibited by Section 330 of the Penal Code, whether within or without  
27 this state.

28 17. Business and Professions Code section 19852 provides, in part:

[A]n owner of a gambling enterprise that is not a natural person shall not  
be eligible for a state gambling license unless each of the following  
persons individually applies for and obtains a state gambling license:

(a) If the owner is a corporation, then each officer, director, and  
shareholder . . . .

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18. Penal Code section 330 provides:

Every person who deals, plays, or carries on, opens, or causes to be opened, or who conducts, either as an owner of employee, whether for hire or not, any game of faro, monte, roulette, lansquenet, rouge et noir, rondo, tan, fan-tan, seven-and-a-half, twenty-one, hokey-pokey, or any banking or percentage game played with cards, dice, or any device, for money, checks, credit, or other representation of value, and every person who plays or bets at or against any one of those prohibited games, is guilty of a misdemeanor, and shall be punished by a fine of not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding six months, or by both fine and imprisonment.

19. California Code of Regulations, title 4, section 12200.7, subdivisions (b) and (c) provide, in pertinent 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:

\* \* \*

(8) That proposition player services shall be provided in the gambling establishment only in compliance with laws and regulations pertaining to controlled gambling.

\* \* \*

(15) A full disclosure of any financial arrangements entered into during the term of the contract for any purpose between the house and any registrant or licensee covered by the proposition player contract. If there is no financial consideration that passes under the contract, a statement to that effect shall be included.

\* \* \*

(c)(1) Except as expressly authorized by this subsection, a proposition player contract shall not include any provision authorizing payment to or receipt by the house, or a designee thereof, of any share of the profits or revenues or a registrant or licensee. Any payments made by a registrant or licensee to the house for a purpose determined by agreement with the house shall be specifically authorized by the proposition player contract. All payments shall be specified in the contract. The contract shall identify the total charge for each of the following categories: services, facilities, and advertising. In addition, the contract shall include a detailed list, excluding specific costs, of the items provided or received in each of these categories.

1 (2) In no event may a proposition player contract provide for  
2 any payment based on a percentage or fraction of the registrant's or  
3 licensee's gross profits or wagers made or the number of players. All  
4 payments shall be fixed and shall only be made for services and  
5 facilities requested by, and provided to, the registrant or licensee, and  
6 for a reasonable share of the costs for advertising with respect to  
7 gaming at the gambling establishment in which the registered or  
8 licensed owner participates.

9  
10 20. California Code of Regulations, title 4, section 12200.18, provides, in pertinent part:

11 The Commission may revoke a registration or license, upon any of the  
12 following grounds, after a hearing conducted pursuant to the same procedures  
13 applicable to the revocation of a gambling establishment license:

14 (a) The registrant or licensee committed, attempted to commit,  
15 or conspired to commit any acts prohibited by the Act<sup>[7]</sup> or this  
16 chapter.<sup>[8]</sup>

17 21. California Code of Regulations, title 4, section 12218.11, provides, in pertinent part:

18 A requester shall be ineligible for licensing for any of the  
19 following causes:

20 \* \* \*

21 (e) The requester has failed to meet the requirements of  
22 Business and Professions Code sections 19856 or 19857.

23 \* \* \*

24 (g) The requester would be ineligible for a state gambling  
25 license under Business and Professions Code section 19858.

26 (h) The requester has violated one or more of the prohibitions  
27 set forth in paragraph[s] . . . (1) . . . of subsection (c) of Section  
28 12200.7.

(i) The requester has failed to comply with one or more of the  
requirements set forth in paragraph[s] . . . (15) . . . of subsection (b) of  
Section 12200.7 . . . .

<sup>7</sup> "Act" refers to the Gambling Control Act, Business and Professions Code, division 8, chapter 5 (commencing with section 19800).

<sup>8</sup> "Chapter" refers to the California Code of Regulations, title 4, division 18, chapter 2.1 (commencing with section 12200).

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22. California Code of Regulations, title 4, section 12560, subdivisions (b) and (e),  
provide, in pertinent part:

(b) A license or registration granted by the Commission for an owner of a third-party provider of proposition player services, as that terms is used in California Code of Regulations, Title 4, Section 12200, shall be subject to . . . a maximum discipline of revocation . . . if the Commission finds that:

(1) The owner has violated or is out of compliance with any conditions, limitations, orders, or directives imposed by the Commission, either as a part of an initial grant of license or registration, renewal of such, or pursuant to disciplinary action.

\* \* \*

(4) The owner has engaged in dishonest, fraudulent, or deceptive activities in connection with controlled gambling or the provision of proposition player services.

\* \* \*

(8) The owner has failed to fully disclose financial arrangements in violation of California Code of Regulations, Title 4, Section 12200.7, subsection (b)(15).

\* \* \*

(e) A license or registration granted by the Commission for an owner of a third-party provider of proposition player services . . . shall be subject to revocation if the Commission finds that:

\* \* \*

(2) The owner . . . no longer meets the criterion for eligibility, pursuant to California Code of Regulations, Title 4, Sections 12204 or 12218.11.

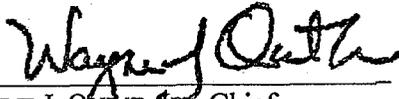
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PRAYER

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

1. Revoke license number TPPP-000028, issued to CB Certified Banker, Inc.;
2. Revoke license number TPOW-000135, issued to Tam Si Luu, sole shareholder (owner), president, secretary and treasurer of CB Certified Banker, Inc.;
3. Award Complainant the costs of investigation and costs of bringing this Accusation before the Commission, pursuant to Business and Professions Code section 19930, in a sum according to proof, from the Respondents jointly and severally; and
4. Take such other and further action as the Commission may deem appropriate.

Dated: January 6, 2015

  
\_\_\_\_\_  
WAYNE J. QUINT, JR., Chief  
Bureau of Gambling Control  
Department of Justice  
State of California  
Complainant