

1 XAVIER BECERRA
Attorney General of California
2 SARA J. DRAKE
Senior Assistant Attorney General
3 WILLIAM P. TORNGREN
Supervising Deputy Attorney General
4 State Bar No. 58493
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 210-7782
Fax: (916) 327-2319
7 E-mail: William.Torngren@doj.ca.gov
Attorneys for the Complainant

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

12
13 **In the Matter of the First Amended**
Accusation and Statement of Issues Against:

BGC No.: BGC-HQ2015-00002AL

14 **MORTIMER'S, INC. (GEOW-003261),**
15 **doing business as**
16 **MORTIMER'S CARD ROOM**
17 **(GEGE-001304),**
3100 Del Monte Blvd.
Marina, California 93933, and

OAH No.: _____

18 **MARK E. WILLIAMSON (GEOW-003262),**
81837 Oleander, No. 41
Indio, California 95831, and

**STIPULATED SETTLEMENT;
DECISION AND ORDER**

19 **PAMELA LESLIE NEU (GEOW-003212),**
20 79290 Cool Reflection
La Quinta, California 92201, and

21 **WILLIS LEE HANNA (GEOW-003226),**
22 9200 Canyon Oak Rd.
Salinas, California 93507, and

23 **MARYLEE H. SAKAS (GEOW-003225),**
24 1375 Ainakea Rd.
Lahaina, Hawaii 96761,

25
26 **Respondents.**
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1 **PURPOSE OF THIS STIPULATED SETTLEMENT**

2 This Stipulated Settlement resolves the First Amended Accusation and Statement of Issues
3 (Operative Pleading), dated May 1, 2020, in the above-entitled matter. Respondents Mortimer’s,
4 Inc. (Corporation), doing business as Mortimer’s Card Room (Card Room), Mark E. Williamson
5 (Williamson), Pamela Leslie Neu (Neu), Willis Lee Hanna (Hanna), and Marylee H. Sakas
6 (Sakas) (collectively, Respondents) hold gambling establishment owner licenses and have
7 applications pending for renewal of those licenses pursuant to the Gambling Control Act (Act)
8 (Bus. & Prof. Code, § 19800 et seq.). This Stipulated Settlement resolves the Operative Pleading.
9 The Operative Pleading alleges violations of, and seeks to revoke Respondents’ licenses and to
10 deny their renewal applications for lack of suitability for licensing under, the Act and the
11 regulations adopted pursuant to the Act.

12 **PARTIES**

13 1. Wayne J. Quint, Jr. (former complainant) brought the initial Accusation solely in his
14 official capacity as the Chief of the California Department of Justice, Bureau of Gambling
15 Control (Bureau). Stephanie Shimazu (Complainant) is the successor to the former complainant
16 and brought the Operative Pleading solely in her official capacity as the Bureau’s Director.

17 2. The Corporation is licensed as a gambling enterprise owner, California State
18 Gambling License Number GEOW-003261. The Corporation does business as the Card Room,
19 which is a licensed gambling establishment, California State Gambling License Number GEGE-
20 001304. The Card Room operated as a seven-table card room formerly located at 3100 Del
21 Monte Boulevard in Marina, California. Pursuant to an Emergency Order (Emergency Order)
22 issued by the former complainant on November 18, 2015, the Card Room is closed.

23 3. Each of the individual respondents is a shareholder of the Corporation and endorsed
24 on the Card Room’s license as follows:

25 a. Williamson, license number GEOW-003262, owns 25.5 percent of the issued
26 and outstanding shares in the Corporation;

27 b. Neu, license number GEOW-003212, owns 25.5 percent of the issued and
28 outstanding shares;

1 c. Hanna, license number GEOW-003226, owns 32.67 percent of the issued and
2 outstanding shares; and

3 d. Sakas, license number GEOW-003225, owns 16.33 percent of the issued and
4 outstanding shares.

5 4. The California Gambling Control Commission (Commission) issued the above-
6 described licenses pursuant to the Act and the regulations adopted pursuant to the Act. An
7 application for renewal is pending as to each license. On January 21, 2016, the Commission
8 considered the renewal applications. At that time, the Commission voted to refer the renewal
9 applications to an evidentiary hearing pursuant to California Code of Regulations, title 4, section
10 12054, subdivision (a)(2) to be conducted as an Administrative Procedures Act hearing and
11 consolidated with the initial Accusation. (Cal. Code Regs., tit. 4, § 12058.) At that time, the
12 Commission issued interim renewal licenses to Respondents.

13 **JURISDICTION**

14 5. On November 19, 2015, the former complainant served the initial Accusation, along
15 with a Statement to Respondent (Gov. Code, § 11505, subd. (b)), Request for Discovery (Gov.
16 Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6 and 11507.7, and two
17 copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506).

18 6. On November 19, 2015, the former complainant issued the Emergency Order to the
19 Corporation. The Emergency Order directed the Corporation to suspend and cease any and all
20 gambling and gambling-related activities at the Card Room and to close the gambling
21 establishment. The Card Room presently is closed.

22 7. On May 1, 2020, Complainant filed and served the Operative Pleading.
23 Complainant also served each Respondent with a Statement to Respondent (Gov. Code, § 11505,
24 subd. (b)), Request for Discovery (Gov. Code, § 11597.6), copies of Government Code sections
25 11507.5, 11507.6 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§
26 11505 & 11506).

27 8. Respondents served timely Notices of Defense to the Operative Pleading.
28

1 admits that the factual and legal allegations in, and supporting, the Operative Pleading, not
2 expressly admitted in this paragraph 12, if proven, provide a sufficient legal and factual basis to
3 revoke, and to deny renewal of, their licenses.

4 13. Each Respondent understands and agrees that the admissions made in paragraph 12
5 above may be entered into evidence in any legal proceeding brought or prosecuted by the
6 Commission or the Bureau as if those admissions were made under oath and penalty of perjury.
7 The admissions made by Respondent herein are only for the purposes of this proceeding, or any
8 future proceedings in which the Bureau, the Commission, or any successor agency is involved,
9 and shall not be otherwise admissible in any criminal, civil, or unrelated administrative
10 proceeding.

11 14. Upon the effective date of the Decision and Order issued by the Commission
12 adopting this Stipulated Settlement (Effective Date), Respondents' pending state gambling license
13 renewal applications will be granted and their state gambling licenses will be renewed.
14 Immediately thereafter, Respondents' state gambling licenses will be revoked. The revocations,
15 however, shall be stayed as provided in paragraph 15 of this Stipulated Settlement. Each
16 Respondent acknowledges, understands, and agrees that the stay of suspending his, her, or its
17 state gambling license is intended to preserve the Card Room's existence for purposes of
18 Business and Professions Code sections 19962 and 19963, to allow a possible sale of each
19 Respondent's shares in the Corporation, or the Corporation's ownership interest in the Card
20 Room's assets or business. In addition to and as part of their waivers set forth in paragraphs 10
21 and 11 above, each Respondent expressly, voluntarily, and knowingly waives any privilege or
22 right available under, or conferred by, Government Code section 11522.

23 15. Revocation of Respondents' licenses shall be stayed for 12 months from the
24 Effective Date (Stay Period) during which time Respondents shall make a good faith and diligent
25 effort to sell each Respondent's shares in the Corporation, or the Corporation's ownership interest
26 in the Card Room's assets or business. Upon Respondents' showing of good cause and diligence
27 before the initial 12-month Stay Period expires, the Commission may extend the Stay Period for
28 an additional 12 months. Except as provided herein, under no circumstances may the Stay Period

1 be extended or otherwise lengthened beyond 24 months from the Effective Date. At the end of 12
2 months and any extension not to exceed 12 months, the Stay Period will expire, except if a
3 complete application for approval of a sale (Sale Application) is pending before the Bureau or the
4 Commission, in which case the Stay Period shall continue until the earliest of (a) December 31,
5 2022, or any license-extension period allowed by the Act, (b) the date the Commission denies the
6 Sale Application, or (c) the date that a sales transaction is closed and ownership is transferred
7 following the Commission's approval of the Sale Application.

8 a. The Stay Period shall terminate, and Respondents' licenses shall be revoked,
9 upon any of the following events: (1) Respondents close a sale of their shareholder
10 interests in the Corporation or the Corporation's interest Card Room's assets or business
11 (Sales Event); or (2) a violation of, or failure to comply with, the terms and conditions of
12 this Stipulated Settlement. Each Respondent understands, acknowledges, warrants,
13 represents, and agrees that any Sales Event shall be subject to the Commission's prior
14 approval.

15 b. Except as provided in subparagraph 15c below, upon the expiration or
16 termination of the Stay Period, Respondents' state gambling licenses shall be
17 automatically revoked without hearing or any right to appeal. Each Respondent expressly
18 waives any right to appeal, or to contest, such revocation. Each Respondent further
19 expressly waives any right to a hearing on such revocation.

20 c. If the Sales Event (i) is a sale of Respondents' shares in the Corporation and
21 (ii) neither Williamson, Neu, Hanna, nor Sakas have an ownership interest, direct or
22 indirect, in the Card Room, the revocation may be rescinded as to the Corporation as
23 appropriate without revocation of the entity's state gambling license.

24 16. Respondents, jointly and severally, agree to pay the Bureau monetary penalties in
25 the amount of \$200,000 (Penalties) for the acts and omissions alleged in the Operative Pleading
26 and admitted to in paragraphs 10 and 11 above. The Penalties will be paid upon expiration or
27 termination of the Stay Period. If the Stay Period terminates as the result of a Sales Event, the
28 Penalties will be paid in full upon the closing. Respondents shall instruct the purchaser under any

1 sales or similar agreement and the escrow holder to pay \$200,000 at the closing to the Bureau,
2 which shall have a lien on the proceeds of the sale for the Penalties. The Penalties will be
3 deposited in accordance with Business and Professions Code section 19950, subdivision (a).

4 17. Respondents, jointly and severally, agree to pay the Bureau the sum of \$50,000
5 (Cost Recovery) as the reasonable costs of investigation and prosecution of this matter as
6 provided for in Business and Professions Code section 19930. When paid, the Cost Recovery
7 will be deposited in accordance with Business and Professions Code sections 19930, subdivision
8 (f), and 19950, subdivision (b). The Cost Recovery will be paid upon expiration or termination of
9 the Stay Period. If the Stay Period terminates as the result of a Sales Event, the Cost Recovery
10 will be paid in full upon the closing. Respondents shall instruct the purchaser under any sales or
11 similar agreement and the escrow holder to pay \$50,000 at the closing to the Bureau, which shall
12 have a lien on the proceeds of the sale for the Cost Recovery.

13 18. The Card Room presently is closed and shall remain closed during the Stay Period.

14 19. Respondents agree that it shall be a default under this Stipulated Settlement to (a)
15 fail to pay the Penalties and/or Cost Recovery when due, or (b) fail otherwise to comply with any
16 term or condition of this Stipulated Settlement. If, after any extension, the Stay Period expires
17 because no Sales Event occurred and Respondents have not otherwise defaulted in performing
18 their duties, obligations, and responsibilities under this Stipulated Settlement, Williamson, Neu,
19 Hanna, and Sakas shall have no further obligation to pay, or liability for, the Penalties or Cost
20 Recovery upon the finality of their licenses being revoked. The parties agree that the Corporation
21 will remain obligated to pay, and have liability for, the Penalties and Cost Recovery.

22 20. If Respondents default in payment of any monies due under this Stipulated
23 Settlement in any way, Respondents agree that the Commission's Decision and Order adopting
24 the Stipulated Settlement may be presented to the Sacramento County Superior Court and, after
25 notice to Respondents and an opportunity to be heard, judgment entered thereon. Respondents
26 further agree that the judgment shall include interest, calculated at the maximum rate allowed by
27 law to accrue from the Effective Date. Respondents also agree that the judgment shall include the
28 Bureau's costs of obtaining, enforcing, and collecting the judgment. Costs shall include

1 reasonable attorney fees calculated at then-prevailing hourly rates for services provided in the
2 private sector for attorneys of comparable experience.

3 21. Respondents agree that upon a default, any license issued by the Commission to
4 them shall be deemed to be revoked automatically and immediately and shall be of no further
5 effect. Each Respondent expressly waives any right to a hearing, judicial review, or an
6 appeal with respect to, or arising out of, any license revocation based upon a default.

7 22. If the Stay Period exceeds the term, or expiration date, of any license granted and
8 issued pursuant to this Stipulated Settlement, Respondents acknowledge and agree that any
9 renewal license granted by the Commission will require their continued compliance with this
10 Stipulated Settlement for the entire Stay Period.

11 23. The parties agree that this Stipulated Settlement fully resolves their dispute
12 concerning the Operative Pleading, and that, except upon default, no additional penalties, fines,
13 and costs shall be sought against Respondents based solely upon the allegations contained within
14 the Operative Pleading.

15 24. This Stipulated Settlement shall be subject to adoption by the Commission.
16 Respondents understand and specifically agree that counsel for the Complainant, and the
17 Bureau's staff, may communicate directly with the Commission regarding this Stipulated
18 Settlement, without notice to, or participation by, Respondents or their counsel, and that no such
19 communication shall be deemed a prohibited ex parte communication. Respondents specifically
20 acknowledge and agree that such communications are permissible pursuant to Government Code
21 section 11430.30, subdivision (b).

22 25. By signing this Stipulated Settlement, each Respondent understands and agrees that
23 he, she, or it may not withdraw his, her, or its agreement, or seek to rescind the Stipulated
24 Settlement, prior to the time the Commission considers and acts upon it. If the Commission fails
25 to adopt this Stipulated Settlement as its Decision and Order, this Stipulated Settlement shall be
26 of no force or effect and, except for actions taken pursuant to this paragraph and paragraph 24
27 above, it shall be inadmissible in any legal action between the parties. The Commission's failure
28 to adopt the Stipulated Settlement shall not disqualify the Commission from any further action

1 regarding Respondents' licensure, including, but not limited to, disposition of the Operative
2 Pleading by a decision and order following a hearing on the merits.


3 26. This Stipulated Settlement may be executed in counterparts. The parties agree that a
4 photocopy, facsimile or electronic copy of this Stipulated Settlement, including copies with
5 signatures thereon, shall have the same force and effect as an original.

6 27. In consideration of the above admissions and stipulations, the parties agree that the
7 Commission may, without further notice or formal proceeding, issue and enter the Decision and
8 Order adopting this Stipulated Settlement.

9 ACCEPTANCE

10 Each Respondent has carefully read and considered the above Stipulated Settlement. Each
11 Respondent has discussed its terms and effects with legal counsel or had the opportunity to
12 discuss the Stipulated Settlement with legal counsel. Each Respondent also understands the
13 Stipulated Settlement and the effects it will or may have on his, her, or its state gambling license.
14 Each Respondent further understands that his, her, or its state gambling license will be revoked
15 subject to a 12-month stay and conditions. Respondents further understand that they, jointly and
16 severally, will be obligated to pay the Bureau a total sum of \$250,000 in Penalties and Cost
17 Recovery and that the failure to pay any portion of that amount when due, or to abide by the
18 conditions and terms of the Stipulated Settlement, could result in lifting the stay and the
19 immediate revocation of their state gambling licenses, and have other effects. Each Respondent
20 enters into this Stipulated Settlement voluntarily, knowingly and intelligently, and agrees to be
21 bound by its terms.

22
23 Dated: September 23, 2020


Mark E. Williamson
Respondent

24
25
26 Dated: September __, 2020

Pamela Leslie Neu
Respondent

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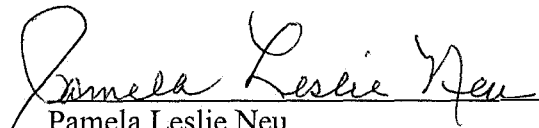
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22
23 Dated: September __, 2020

Mark E. Williamson
Respondent

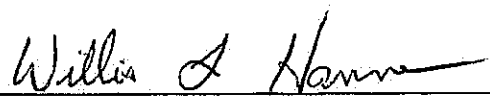
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26 Dated: November 10, 2020



Pamela Leslie Neu
Respondent

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Dated: September 30 2020



Willis Lee Hanna
Respondent

Dated: September __, 2020

Marylee H. Sakas
Respondent

Dated: September __, 2020

Mortimer's, Inc.

By _____
Its President
Respondent

Approved as to form and content:

Dated: September __, 2020

Nicora Law Offices

Attorneys for Respondents

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Dated: September __, 2020

Willis Lee Hanna
Respondent

Dated: September __, 2020

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Marylee H. Sakas
Respondent

Dated: September __, 2020

Mortimer's, Inc.

By _____
Its President
Respondent

Approved as to form and content:

Dated: September __, 2020

Nicora Law Offices
Attorneys for Respondents

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Dated: September __, 2020

Willis Lee Hanna
Respondent

Dated: September __, 2020

Marylee H. Sakas
Respondent

Dated: September 23, 2020

Mortimer's, Inc.

By Mark Williamson
Its President
Respondent

Approved as to form and content:

Dated: September __, 2020

Nicora Law Offices

Attorneys for Respondents

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Dated: September __, 2020

Willis Lee Hanna
Respondent

Dated: September __, 2020

Marylee H. Sakas
Respondent

Dated: September __, 2020

Mortimer's, Inc.

By _____
Its President
Respondent

Approved as to form and content:

Dated: November 16, 2020

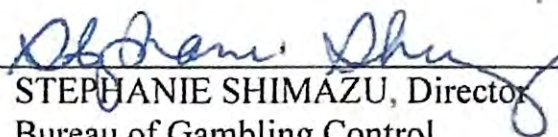


Nicora Law Offices
Attorneys for Respondents

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COMPLAINANT'S ACCEPTANCE


Dated: ~~September~~ ^{November} 17, 2020


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

The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by the California Gambling Control Commission.

Dated: ~~September~~ ^{November 17} __, 2020

XAVIER BECERRA
Attorney General of California
SARA J. DRAKE
Senior Assistant Attorney General


WILLIAM P. TORNGREN
Supervising Deputy Attorney General
Attorneys for the Complainant

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DECISION AND ORDER OF THE COMMISSION

The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties for the case of *In the Matter of the First Amended Accusation and Statement of Issues against: Mortimer's, Inc., etc., et al.*, BGC Case No. HQ2015-00002AL, as its final Decision and Order in the matter to be effective upon execution below by its members.

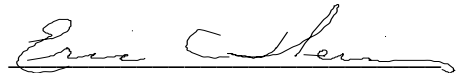
IT IS SO ORDERED

Dated: 3/11/21

Signature: 

Paula LaBrie, Chair

Dated: 3/11/2021

Signature: 

Eric Heins, Commissioner

Dated: 3/11/21

Signature: 

Edward Yee, Commissioner