

The Commonwealth of Massachusetts
Department of the State Treasurer
Alcoholic Beverages Control Commission
Boston, Massachusetts 02114

Deborah B. Goldberg
Treasurer and Receiver General

Kim J. Gainsboro, Esq.
Chairman

NOTICE OF SUSPENSION

March 30, 2016

UNION CLUB, INC.
141 CABOT STREET
BEVERLY, MA 01915
LICENSE#: 010000004
VIOLATION DATE: 11/30/2015
HEARD: 03/01/2016

After a hearing on March 1, 2016, the Commission finds Union Club, Inc. violated:

- 1) M.G.L. c. 138, §64 - Failure to comply with a Commission order and terms of suspension;
- 2) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit: M.G.L. c. 23K, § 37(a) operating, or permitting to be operated, a game or gaming device;
- 3) 204 CMR 2.05 (1)-Permitting Gambling (1 Count);
- 4) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit; M.G.L. c. 140, §177A (6) No person keeping or offering for operation or allowing to be kept or offered for operation an automatic amusement device licensed under this section shall permit the same to be used for the purpose of gambling; and
- 5) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit; M.G.L. c. 140, §177A (5) Automatic amusement devices under this section shall be so installed on the premises described in the license as to be in open view at all times while in operation, and shall at all times be available for inspection.

Therefore, the Commission **INDEFINITELY SUSPENDS** the license of Union Club, Inc. **effective forthwith** until further written order of the Commission. The Commission will not issue any further order without a written request from the Licensee showing good cause to reconsider this indefinite suspension and a hearing before the Commission that the Licensee attends.

You are advised that you have the right to appeal this decision under M.G.L. c. 30A to Superior Court within thirty (30) days upon receipt of this notice.

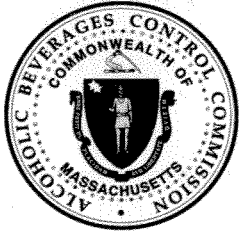
ALCOHOLIC BEVERAGES CONTROL COMMISSION



Kim S. Gainsboro
Chairman

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cc: Local Licensing Board
Frederick G. Mahony, Chief Investigator
Brad Doyle, Investigator
Jan Kujawski, Investigator
Thomas C. Fallon, Esq. via fax: 978-922-0661
Administration
File



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Department of the State Treasurer
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DECISION

UNION CLUB, INC.
141 CABOT STREET
BEVERLY, MA 01915
LICENSE#: 010000004
VIOLATION DATE: 11/30/2015
HEARD: 3/1/2016

Union Club, Inc. (the "Licensee") holds an alcohol license issued pursuant to M.G.L. c. 138, §12. The Alcoholic Beverages Control Commission (the "Commission") held a hearing on Tuesday, March 1, 2016, regarding alleged violations of:

- 1) M.G.L. c. 138, §64 - Failure to comply with a Commission order and terms of suspension;
- 2) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit: M.G.L. c. 23K, § 37(a) operating, or permitting to be operated, a game or gaming device;
- 3) 204 CMR 2.05 (1)-Permitting Gambling (1 Count);
- 4) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit; M.G.L. c. 140, §177A (6) No person keeping or offering for operation or allowing to be kept or offered for operation an automatic amusement device licensed under this section shall permit the same to be used for the purpose of gambling; and
- 5) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit; M.G.L. c. 140, §177A (5) Automatic amusement devices under this section shall be so installed on the premises described in the license as to be in open view at all times while in operation, and shall at all times be available for inspection.

The following documents are in evidence:

1. Investigator Doyle's Report dated November 30, 2015;
2. Photograph of blue box containing U.S. currency;
3. Photograph of Beverly National Bank bag;
4. Photograph of door showing the sign "Members Only;"
5. ABCC Decision, Union Club, Inc., Beverly, dated 07/17/2012;
6. Photographs of electronic devices; and
7. Photographs of print- outs from five electronic devices.

There is one (1) audio recording of this hearing.

The Commission took administrative notice of the Licensee's file.

FACTS

1. On Monday, November 30, 2015, at approximately 9:30 a.m., Investigators Doyle and Kujawski ("Investigators") conducted an investigation of the business operation of Union Club, Inc. to determine the manner in which the business was being conducted.
2. Investigators entered the licensed premises and identified themselves to the bartender on duty who identified himself as Richard Crean.
3. Investigators asked Mr. Crean if the club had any electronic video devices.
4. Mr. Crean stated that there were machines in a room near the pool table.
5. Investigators asked Mr. Crean to contact one of the Officers of the corporation to see if they could come into the club.
6. Investigators asked Mr. Crean the process of people collecting credits on the devices.
7. Mr. Crean stated that the machines would print out a green ticket and the bartender would pay each person according to the number of credits on the ticket.
8. Mr. Crean led Investigators to a room adjacent to the bar.
9. On a shelf was a blue box and inside the box was a brown bag from Beverly National Bank, which contained \$2,000.00 in U.S. currency.
10. Mr. Crean stated payments from winnings would be paid from the brown bag.
11. Investigators walked through the club to the room adjacent to the pool room and observed a closed door marked, "Members Only."
12. Investigators opened the door and inside this room were five electronic devices.
13. A male individual, identified as Robert Hamilton, stated that he was the President of the Union Club since 2008.
14. Also present was Michael Deering, who stated that he was the Treasurer of the Union Club.
15. Investigators handed Mr. Hamilton a copy of an ABCC Decision dated July 17, 2012 regarding a March 15, 2012 violation.
16. The ABCC Decision stated that the Licensee must not possess in or on the licensed premises any automatic amusement device or video poker machine.
17. Mr. Hamilton stated that he did not recall the decision and also stated that the amusement devices were shut down for a period of time but were never removed from the premises.
18. Mr. Hamilton stated that the automatic amusement devices were owned by 4 Star Vending and he did not have keys to open the devices.
19. Investigators observed that the electronic video devices (1- Crazy Bugs, 1- Captain Jack, 1- Multi- game, 1- Triple Fever, 1- Skill Cherry) had several characteristics which we know based on our training and experience to be indications that the electronic video devices are utilized as gambling devices:
 - The electronic video devices accepted dollar bills ranging from \$1, \$5, \$10, \$20.
 - The electronic video devices had markings indicating "for amusement only."

- All five electronic video devices had a “knock off” mechanism to reset the credits earned to zero.
20. Investigators placed one dollar (\$1.00) into each device and the following information was recorded:
- Electronic video device #1: \$1.00 received 20 credits (\$0.05 per credit). Investigator Doyle selected 8 credits to be played and the device registered the bet indicating on the monitor screen that there were 12 credits remaining. Investigators pressed a white button on the front of the device marked “Print Ticket.” This knock off mechanism reset the remaining credits from 12 to zero. A green slip came out of the front of the device reflecting 12 points.
 - Electronic video device #2: \$1.00 received 100 credits (\$0.01 per credit). Investigator Doyle selected 45 credits to be played and the device registered the bet indicating on the monitor screen that there were 55 credits remaining. Investigator pressed a white button on the front of the device labeled “Print Ticket,” this knock off mechanism reset the remaining credits from 55 to zero. A green slip came out of the front of the device reflecting 55 points.
 - Electronic video device #3: \$1.00 received 20 credits (\$0.05 per credit). Investigators Doyle selected 10 credits to be played and the device registered the bet indicating on the monitor screen that there were 10 credits remaining. A white button on the front panel of the device labeled “Print ticket” was pressed. This knock off mechanism reset the remaining credits from 10 to zero. A green ticket printed out of the front of the device reflecting 10 points.
 - Electronic video device #4: \$1.00 received 100 credits (\$0.01 per credit). Investigator Doyle selected 20 credits to be played and the device registered the bet indicating on the monitor screen that there were 80 credits remaining. There was a button on the touch screen labeled “redeem credit.” After several attempts, a ticket failed to print out.
 - Electronic video device #5: \$1.00 received 4 credits (\$0.25 per credit). Investigator Doyle selected 1 credit to be played and the device registered the bet indicating on the monitor screen that there were 3 credits remaining. A white button on the front panel of the device labeled, “Print ticket” was pressed. This knock off mechanism reset the remaining credits from 3 to 0. A green ticket printed out of the front of the device reflecting 3 points.
21. Investigators informed Mr. Hamilton and Mr. Deering that a violation report would be submitted to the Chief Investigator for review.

CONCLUSION

Based on the evidence, the Commission finds the Licensee violated:

- 1) M.G.L. c. 138, §64 - Failure to comply with a Commission order and terms of suspension;
- 2) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit: M.G.L. c. 23K, § 37(a) operating, or permitting to be operated, a game or gaming device;
- 3) 204 CMR 2.05 (1)-Permitting Gambling (1 Count);

- 4) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit; M.G.L. c. 140, §177A (6) No person keeping or offering for operation or allowing to be kept or offered for operation an automatic amusement device licensed under this section shall permit the same to be used for the purpose of gambling; and
- 5) 204 CMR 2.05 (2) Permitting an illegality on the licensed premises to wit; M.G.L. c. 140, §177A (5) Automatic amusement devices under this section shall be so installed on the premises described in the license as to be in open view at all times while in operation, and shall at all times be available for inspection.

Therefore, for all of the above violations, the Commission **INDEFINITELY SUSPENDS** the license of Union Club, Inc. **effective forthwith** until further written order of the Commission. The Commission will not issue any further order without a written request from the Licensee showing good cause to reconsider this indefinite suspension and a hearing before the Commission that the Licensee attends.

ALCOHOLIC BEVERAGES CONTROL COMMISSION

Kim S. Gainsboro, Chairman

Elizabeth A. Lashway, Commissioner

Dated: March 30, 2016

You have the right to appeal this decision to the Superior Courts under the provisions of Chapter 30A of the Massachusetts General Laws within thirty (30) days of receipt of this decision.

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