

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

Steven Grossman
Treasurer and Receiver General

Kim J. Gainsboro, Esq.
Chairman

DECISION

NITE CAP BAR AND GRILL, INC. DBA THE PILOT HOUSE
3 PORTER STREET
GLOUCESTER, MA 01930
LICENSE#: 045000032
HEARD: 03/01/2011

This licensee Nite Cap Bar and Grille, Inc. dba The Pilot House (hereinafter "Nite Cap Bar and Grill, Inc." or the "Licensee") is requesting the approval of the Alcoholic Beverages Control Commission (the "Commission") for Linda Salah, the administrator of the estate of Paul Salah, to transfer the stock of Night Cap Bar and Grill, Inc. located at 3 Porter Street, Gloucester, MA. Based on the information presented at the hearing, the Commission finds the following facts and makes the following rulings of law.

FACTS

1. On December 14, 2011, an application was received at the Commission from the Nite Cap Bar and Grille, Inc. for a Change of Manager, Transfer of Stock and New Officer/Director.
2. This applicant is requesting the abovementioned transactions due to the death of the prior owner, Paul Salah.
3. If the transfer was to be approved, the Administrator, Linda Salah, the wife of Paul Salah, was requesting to transfer the stock of the Nite Cap Bar and Grill, Inc. to Qing Ming, LLC.
4. On January 29, 1958, a request was made for Joseph Salah as Manager for Nite Cap Bar and Grill which was approved. Rose Salah signed as Clerk of the Corporation.
5. On December 16, 1959, a request was made for Anthony Aiello to be the Manager of Record with Rose Salah signing as Clerk and said request was granted.

ISSUE

Who was the last approved person(s) to hold shares of stock in the corporation? Who then is able to transfer the stock of the corporation?

DISCUSSION

Upon reviewing the documents before the Alcoholic Beverages Control Commission, the last known approved change of manager is 1989 when Joseph G. Salah was holding sixty (60)

shares of stock, thereby making him the sole owner of all stock in the corporation. In ascertaining the history of the transfer of the shares of stock, in 1971, Joseph J. Salah, the father of Paul and Joseph G. Salah, transferred his sixty (60) shares of stock to his sons Paul and Joseph in equal shares of thirty (30) each. In 1973, a Form 43 was sent to the Alcoholic Beverages Control Commission which was approved and kept the ownership the same. In 1985, there was a request for a change of manager from Paul Salah to Joseph Goodick and Linda Salah.

Prior to this 1985 application, however, Paul Salah was arrested by the Gloucester Police and Drug Enforcement Agency for Importation of Marijuana, violation of U.S. Code, Conspiracy to Import, Conspiracy and Possession with intent to distribute on board a vessel. At the time of the charges, Paul Salah was an approved shareholder. As a result of the charges, if convicted, Paul Salah was statutorily disqualified from holding this type of license. The 1985 application followed the events that involved drug law violations that would create a statutory disqualification.

In 1989, a change of manager application that was approved by the Commission disclosed that Joseph G. Salah was holding sixty (60) shares of stock, thereby making him the sole owner of all stock in the corporation. Thus, Joseph would be considered to be the only shareholder in the license.

Before the Alcoholic Beverages Control Commission is the question as to whether the administrator of the estate of Paul Salah, Linda Salah, has the authority to transfer the shares of stock of Nite Cap Bar and Grill, Inc. She is requesting a two part transaction; a Transfer of Stock, New Officer/Director and a Change of Manager due to the death of her husband. Once the transfer is approved, the administrator of the estate (i.e., Linda Salah) is requesting to transfer the assets of the Nite Cap Bar and Grill, Inc. to Qing Ming, LLC.

Based on the above found facts, the administrator of the estate of Paul Salah is unable to transfer any shares of stock of the Nite Cap Bar and Grill, Inc.

CONCLUSION

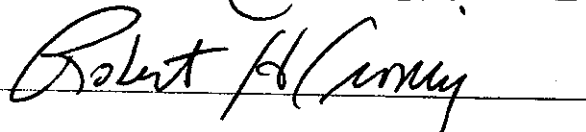
Therefore, the Commission finds that Joseph G. Salah is the only approved person to hold shares of stock in the corporation that holds the license. Neither Linda Salah nor her deceased husband was approved by this Commission to be a shareholder from the year 1989 up to the date of death of her husband. Therefore, Linda Salah, in her capacity as the administrator of the estate cannot lawfully transfer shares of a stock in the corporation that holds the license. The Commission disapproves the application.

ALCOHOLIC BEVERAGES CONTROL COMMISSION

Susan Corcoran, Commissioner



Robert H. Cronin, Commissioner



Dated: May 24, 2011

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.

cc: Local Licensing Board
Frederick G. Mahony, Chief Investigator
Caroline Wilichoski, Investigator
File