

STATE OF NEW JERSEY
Department of Law and Public Safety
DIVISION OF ALCOHOLIC BEVERAGE CONTROL
25 Commerce Drive Cranford, N.J. 07016

BULLETIN 2244

February 3, 1977

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1. DISCIPLINARY PROCEEDINGS - FRONT - UNDISCLOSED INTEREST - IMPROPER USE OF
UNLIMITED REHABILITATION PERMIT - LICENSE SUSPENDED FOR BALANCE OF
TERM AND NOT LESS THAN 90 DAYS - UNLIMITED REHABILITATION PERMIT REVOKED.

In the Matter of Disciplinary
Proceedings against

A.R.A., Inc.
t/a The Pub
160 Highway 35
Middletown Township
P. O. Red Bank, N.J.

Holder of Plenary Retail Consump-
tion License C-19, issued by the
Township Committee of the Township
of Middletown.

In the Matter of Disciplinary
Proceedings against

John Armellino
29 Edwards Road
Brick Town, N.J.

Holder of Unlimited Rehabilitation
Permit No. 121, issued by the
Director of the Division of
Alcoholic Beverage Control.

S-10,607
X-52,413-A

CONCLUSIONS
AND
ORDER

~~Drazin & Warshaw, Esqs., by Thomas T. Warshaw, Esq., Attorneys~~
~~for Licensee, A.R.A., Inc.~~
Krivit, Miller & Galdieri, Esqs., by Maurice M. Krivit, Esq.,
Attorneys for Permittee, John Armellino
David S. Piltzer, Esq., Attorney for Division

BY THE DIRECTOR:

The licensee pleads "not guilty" to the following
charges:

- "1. In your application dated June 4, 1974 and
filed with the Township Committee of
Middletown Township, upon which you obtained
your current plenary retail consumption license,
you answered "No" to Question No. 27,
which asks: 'Has any individual, partnership,
corporation or association, other than the
applicant, any interest, directly, or
indirectly, in the license applied for or in
the business to be conducted under said

license? _____. If so, state names, addresses and interest of such individuals, partnerships, corporations or associations _____, whereas in truth and fact John Armellino and Nina Armellino had such an interest in the business to be conducted under said license; said false statements, misrepresentations and evasions and suppressions of material facts being in violation of N.J.S.A. 33:1-25.

2. From on or about February 28, 1973, to date you knowingly aided and abetted said John Armellino and Nina Armellino to exercise contrary to N.J.S.A. 33:1-26, the rights and privileges of your successive plenary retail consumption license; in violation of N.J.S.A. 33:1-52."

The Permittee pleads "not guilty" to the following charge:

"From on or about February 8, 1974, to date, you, the holder of Unlimited Rehabilitation Employment Permit No. 121 had and continue to have a prohibited interest in A.R.A., Inc. t/a The Pub, 160 Highway 35, Middletown Township, PO Red Bank, N.J., holder of Plenary Retail Consumption License C-18, issued by the Township Committee of the Township of Middletown; in violation of Rules (a) and (c) of State Regulation No. 13."

These matters were jointly tried because they involve the same subject matters.

The Division's case was based upon the results of a continuing investigation of the licensee and the permittee by two ABC Agents, from December 26, 1974 until September 23, 1975. The testimony of ABC Agent B was buttressed by numerous statements of officers and stockholders of the corporate licensee, as well as of invoices, license applications, corporate records and other instruments reflecting the complained of transactions, as well as testimony relating to visits made by the agents on numerous occasions to the licensed premises.

These proceedings extended over a substantial period of time; several hearings were conducted; and numerous adjournments were granted upon application of the attorneys for the licensee and permittee. A Hearer's report was made unnecessary because during the course of these proceedings, I was named Acting Director and ultimately Director of this Division. This was announced at the final hearing herein, pursuant to Rule 6 of State Regulation No. 16.

I have made a careful review and analysis of the voluminous record herein, and find the following: The corporate

licensee filed licensed applications in the Division for the years 1974 and 1975, and set forth therein the following officers: Thomas E. Raimondo, President, holding 50 percent of the issued and outstanding stock; Lucille L. Raimondo, Secretary, holding 50 percent of the issued and outstanding stock. The applications were not complete because they failed to record the number of shares held by these two stockholders.

In its certificate of incorporation, filed and recorded on November 22, 1972, the officers of the corporate licensee were listed as follows: Thomas E. Raimondo and Lucille Raimondo, President and Vice-President respectively, each holding 25 shares of stock; and Nina Armellino, Secretary, holding 50 shares of stock. This was set forth in both the corporate records, and in the 1972 license application.

In the early part of 1972, John Armellino, the husband of Nina, was in State prison following his conviction of charges that, while he occupied the office of Mayor of West New York, he did, for many years, accept \$1,000 a week as a bribe to protect gambling activities in West New York. This offense obviously involves moral turpitude, and, as such, disqualified Armellino from holding a liquor license or an interest in one. N.J.S.A. 33:1-25.

At this time, Nina Armellino and Thomas Raimondo, who served as City Clerk of West New York while Armellino was its Mayor, and his wife, Lucille, contacted Thomas Warshaw, an attorney and partner in the firm of Drazin & Warshaw, with offices in Red Bank, N.J. (their attorney in these proceedings), to retain him as their attorney in connection with their proposed purchase of the subject licensed business. They had been referred to Warshaw by Maurice Krivit, who had represented Armellino in the aforesaid criminal case (and who now represents Armellino in these proceedings.) Krivit was known to Warshaw who had practiced law originally in Hudson County. Krivit had called Warshaw to tell him of this referral and of the proposed purchase. Warshaw knew of Armellino's conviction; that he was then in prison; and that he was scheduled to be released the following year, when he would begin working at the premises being purchased.

Warshaw represented these three persons in the negotiation of a contract dated December 13, 1972, to purchase the subject business for \$217,000.

A mortgage loan of \$150,000 was obtained from the Colonial First National Bank of Red Bank on December 18, 1972. This mortgage was, in fact, signed by Nina Armellino, acting in her capacity as Secretary of the corporate licensee at that time. Significantly, as of the present time, Nina Armellino is still listed as a mortgagor.

The Raimondos and Nina Armellino have contributed equally \$37,500 towards the purchase, and, as set forth hereinabove, the Raimondos and Mrs. Armellino were each issued 50 percent of

its capital stock. The contract of purchase did not contain a clause making the purchase contingent upon the transfer of the liquor license to the purchaser.

According to the testimony of Mrs. Armellino, all of the monies contributed by her came from the sale of property and the cashing of mutual funds, each of which, admittedly, had originally been purchased with her husband's funds, since she had no income or assets of her own apart from those of her husband's. These monies included, in addition to the aforesaid \$37,500, \$10,000 loaned to the corporation by Mrs. Armellino as "start-up" funds.

Also, after the licensed business was purchased, Nina Armellino loaned an additional \$20,000 to the corporation for kitchen improvements, the money of which was obtained by cashing municipal bonds purchased by her husband. The real estate in question had been transferred from the Armellinos to Mrs. Armellino, as she had been given the power of attorney by her husband to sell the mutual fund shares and municipal bonds shortly before Armellino entered prison.

On November 27, 1972, the licensee filed with the municipal issuing authority an application to transfer the liquor license to it. On December 18, 1972, while the said application was pending, title closing took place transferring to A.R.A., Inc. the licensed business and the real estate at which it was located.

On or about January 8, 1973, Warshaw was informed by the Chief of Police of the Middletown Police Department that he intended to recommend the denial of the application of A.R.A., Inc. for a license because of the criminal record of John Armellino.

On January 30, 1972, before any action by the municipal issuing authority took place on the pending application, another application was filed, differing from the first only to the extent that the Raimondos were now listed as 100 percent stockholders instead of 50 percent; and Mrs. Armellino was no longer listed as a 50 percent stockholder. In fact, Nina Armellino was completely omitted in the second application. The second application was approved shortly thereafter, and the license was issued. The Raimondos and Mrs. Armellino explained to the agents during the investigation that the reason they did not "contest" the Middletown Police Chief's recommendation that Mrs. Armellino's name be taken off the license was that they "didn't want to make waves".

But Mrs. Armellino insisted when questioned by the agent, that if the Police Chief, and the Township of Middletown had not insisted that her name be removed from the license, she would still be an owner. By this she meant that she would have an "ownership interest" as noted in her attorney's memorandum in summation. N.J.S.A. 33:1-25.

The licensee, through the testimony of its witnesses, claims that, between the time of the title closing and the filing of the second application, Nina Armellino agreed to convert her proprietary investment of \$37,500 into a loan to the corporation upon the promise of the Raimondos to guarantee that she would be paid the same salary as their combined salaries. Significantly, however, it is noted that no time limit was specified as to how long these payments would continue; no interest, or payment thereof was specified; the date when repayment of the loan would become due was not mentioned; and nothing was reduced to writing at that time.

Although, as the attorney for Mrs. Armellino asserts, the Armellinos and the Raimondos were close friends, it is nevertheless remarkable that Mrs. Armellino did not obtain independent counsel on other legal advice at the time of the purported change. Nor did Mrs. Armellino or the Raimondos make any attempt, at any time, to obtain additional financing to buy out Mrs. Armellino's interest, or have her released from the mortgage loan commitment.

Moreover, when both Mr. and Mrs. Raimondo gave written statements to ABC Agent B, neither one mentioned any promise to pay Nina Armellino the same salary that they would receive. When each was specifically asked by Agent B why they, in fact, paid Mrs. Armellino the same salary as their total salaries, each answered that they did so because they "felt like it."

After the title closing, the Raimondos each received a salary of \$150 a week. Mrs. Armellino also received \$150 a week salary. Additionally, her young son, who worked at the premises only part-time, and as a porter, also received \$150 a week salary. The son worked there a very short period of time; and after he stopped working, Mrs. Armellino's salary was raised to \$300 a week. Her husband was released from prison during the Spring of 1973, and started his employment at these premises soon thereafter, (under a Division rehabilitation permit). When Armellino started to work there, Nine's weekly salary was reduced to \$150, and Armellino then received \$150 a week, which was the same total salary as the Raimondos received.

The testimony also establishes that the Armellinos received the same \$10,000 life insurance coverage which was received by the Raimondos; and it appears that another son of the Armellinos received the same coverage although the other employees of this licensee received only a \$4,000 life insurance coverage while they pay themselves through payroll deductions. Two checks for insurance payments by the licensee for the group policy covering the Raimondos and the Armellinos were admitted into evidence.

The Armellinos were the only employees to receive the privileges of free full-course meals, and free gas and oil for their

cars at the Brenton Woods Getty Station in Brick Township, a service station located substantially closer to the Armellinos' home than to the Raimondos'.

In his statement to our agents, Raimondo stated that he first borrowed \$30,000 from Mrs. Armellino which loan was secured by a promissory note, dated April 1, 1974, in that amount. It represented the initial "start-up" loan for the business checking account and the \$20,000 were used for kitchen improvements. The only other note given Mrs. Armellino by Raimondos was dated December 1, 1974, and was in the sum of \$51,617.57. This note represented the balance of \$26,617.57 owed on the first note, plus \$25,000 still due on the original "loan" of \$37,500.

In explanation of this transaction, the licensee explains that the \$37,500 was reduced by \$12,500 when, in August 1973, Mrs. Raimondo gave Mrs. Armellino \$12,500 cash, without receiving a receipt or other evidence of the said payment. The licensee also maintains that the April 1st, 1974 note was not drawn to include the \$25,000 because it could not afford to make higher monthly payments.

When Mrs. Raimondo, who handled the notes, was asked why all the so-called "loans" were not aggregated in the one April 1st, 1974 note, and why the payments were not made greater in number, rather than higher in amount, she asserted that she did not think of that. In this connection, it is relevant to point out that the assignment of this Division "front" investigation took place on November 12, 1974 almost three weeks before the December 1, 1974 note was executed to include for the first time the balance of the original loan.

In a supplement to the written summation submitted on behalf of the licensee, the attorney for the licensee, by letter dated October 7, 1976, contends that the Deputy Attorney General has drawn a "sinister inference" from these dates. He argues that there was no proof presented by the Division that the December 1st, 1974 note was prepared only when the licensee became aware of an existing investigation. I find this contention devoid of merit. The inference drawn is natural and logical in this factual complex.

Finally, the record shows that neither of the Raimondos had any experience in the liquor or restaurant business prior to this venture, but that John Armellino had had forty years of such experience. He was to be the guiding light in this business and it is clear that he did, in fact, build it into a successful operation.

I have carefully analyzed and assayed the voluminous testimony and exhibits herein. I have also had the opportunity to observe the demeanor of the witnesses as they testified before me. These disciplinary proceedings are civil in nature, and not criminal.

Kravis v. Hock, 135 N.J.L. 259 (Sup. Ct. 1947). Thus, the Division is required to establish its case by a fair preponderance of the credible evidence only. Freud v. Davis, 64 N.J. Super. 242 (App. Div. 1961); Butler Oak Tavern v. Division of Alcoholic Beverage Control, 20 N.J. 373 (1956).

In other words, the findings must be based upon a reasonable certainty as to the probabilities arising from a fair consideration of the evidence. 32 C.J.S. Evidence, sec. 1042. By a preponderance of the evidence is meant evidence which is of greater weight or more convincing than that which is offered in opposition. 32 C.J.S. Evidence, sec. 1021, at p. 1051, and cases cited therein. Cf. Hornauer v. Division of Alcoholic Beverage Control, 40 N.J. Super. 501 (App. Div. 1956).

The very nature and characteristic of a "front" case is concealment and subterfuge. Very rarely is the Division's proof buttressed with forthright confessions and/or affirmative admissions. The evidence in the instant matters contain, however, many affirmative admissions. Nevertheless, the testimonial presentation, as here, must be largely substantial and documentary.

Therefore, much depends not only upon the credibility of the witnesses, but the logic, probability and credulity of the testimony itself. Testimony, to be believed, must not only proceed from the mouths of credible witnesses, but must be credible in itself, and must be such as common experience and observation of mankind can approve as probable in the circumstances. Spagnuolo v. Bonnet, 16 N.J. 546 (1954); Gallo v. Gallo, 66 N.J. Super. 1 (App. Div. 1961).

The accepted standard of persuasion relating to the testimony is that the determination must be founded in truth. Riker v. John Hancock Mutual Life Insurance Co., 129 N.J.L. 508. No testimony need be believed but, rather, so much or so little may be believed as the trier finds reliable. 7 Wigmore Evidence, sec. 2100 (1940); Greenleaf Evidence, sec. 201 (16th Ed. 1899).

Using these guiding principles, I find from the established facts that the Armellinos presently hold an undisclosed interest in the licensed business. The purported transfer of Nina Armellino's shares of stock to the Raimondos prior to the filing of the second licensed transfer application is patently exposed as a facade to conceal the true facts.

It is clear as crystal that this was a sham transfer of stock effected merely to gain municipal approval of the licensed transfer. All of the circumstances, both prior and subsequent to the stock transfer lead inescapably to this conclusion.

The failure to include a license transfer contingency clause in the contract of sale with the prior licensee, and the closing of title before the municipal issuing authority took any

action in transferring the license, are highly unusual and unnatural procedures, which are contrary to common experience, and which generate the conviction that these parties were well aware of a possible impediment to the transfer by reason of John Armellino's criminal record. Notwithstanding that, however, they were determined to conclude the transaction so as to present a fait accompli to the municipality.

There is nothing in the record to show that the parties explored any possible alternatives to the conversion of the investment to a loan; the fact is that they did not do so. This, together with the lack of specification of any of the terms of the so-called "loan" of \$37,500 to the Raimondos, and their assertion, for the first time at the hearing, by the Raimondos, that, at the time of the stock transfer, they had promised Mrs. Armellino the same salary as they were receiving, in contradiction of their prior statements to the Division belies any claim of a true loan.

The failure to reduce the "loan" to a note until after the initiation of the Division investigation is of similar importance, notwithstanding the assertion of counsel that there was no proof to show that Mrs. Armellino or the Raimondos knew that a Division investigation was in progress. If this were a true loan, it would have been natural and realistic to include it in the earlier April 1st, 1974 loan to Mrs. Armellino. I reject as incredible, and, indeed, unbelievable, the reason given for the omission -- that this never occurred to them.

It is logical to conclude that, in the normal course of events, Mrs. Armellino would not have loaned \$20,000 to the licensee for kitchen improvements if she were merely then trying to obtain repayment of an earlier \$37,500 loan still outstanding. The whole relationship of these close friends, the Armellinos and the Raimondos as manifested not only in the equal salaries, but in the other fringe benefits received equally by the Armellinos is reflective of an equal partnership in this business.

It taxes credulity to believe that the Armellinos who had the necessary financial resources and experience in the restaurant and liquor business were willing to become merely unsecured creditors and employees subject to the sole control of the Raimondos, who had neither of these attributes needed to make this business a success. It is acknowledged that John Armellino is the manager of the business, and is the brains of the entire operation.

I find that Mrs. Armellino presently continues to hold whatever interest she originally held in the licensed business. In this connection, I find, from the proofs, that she originally held such interest, at least in part, on behalf of her husband who obviously was not disclosed as the stockholder because of his

criminal disqualification. As I pointed out hereinabove, all of the monies invested by her are, in fact, her husband's. There is no claim of a loan or gift of these monies to her by him.

Accordingly, I find that he has held, and continues to hold an undisclosed interest in the license because he, together with his wife are the true owners of 50 percent of the issued and outstanding shares of stock of the corporate licensee.

Having carefully considered the entire record herein, including the transcript of the testimony, the exhibits and the written summation of counsel, I am satisfied that the charges herein have been established by a fair preponderance of the credible evidence, indeed, by substantial evidence. Thus, I find that the licensee is guilty of suppressing the undisclosed interest of the Armellinos as charged.

I further find that John Armellino, is guilty of holding a prohibited undisclosed interest in the license and licensed business; in violation of Rule 13(a) and (c) of State Regulation No. 13. The original citation of the applicable rules set forth in the charge was correctly amended by motion of the Deputy Attorney General on behalf of the Division in his written summation. This motion was not challenged by the licensee, and is hereby granted.

Since the unlawful situation has not been corrected to date, I shall suspend the license for the balance of its term, with leave granted to the licensee, or any bona fide transferee of the license to apply to me, by verified petition, for the lifting of the said suspension whenever the unlawful situation has been corrected, but, in no event, shall such lifting take place sooner than ninety days from the commencement of the suspension herein. Cf. 482 Jackson Avenue Corporation, Bulletin 2211, Item 3.

Accordingly, it is, on this 10th day of November 1976,

ORDERED that Plenary Retail Consumption License C-18, issued by the Township Committee of the Township of Middletown to A.R.A., Inc. t/a The Pub, for premises 160 Highway 35, Middletown Township, be and the same is hereby suspended for the balance of its term, viz., 12:00 p.m. midnight, June 30, 1977, effective at 2:00 a.m. Tuesday, November 23, 1976, with leave to the licensee or any bona fide transferee of the license to apply to the Director for the lifting of the suspension upon establishing that the unlawful situation has been corrected, but such lifting shall not take place, in any event, sooner than ninety (90) days from the commencement date of the suspension herein; and it is further

ORDERED that the Unlimited Rehabilitation Permit No. 121, issued by the Director of the Division of Alcoholic Beverage Control to John Armellino, 29 Edwards Road, Brick Town, N.J., be and the same is hereby revoked, effective immediately.

Joseph H. Lerner
Director

2. DISCIPLINARY PROCEEDINGS - MISLABELING OF BOTTLES - LICENSE SUSPENDED FOR 30 DAYS.

In the Matter of Disciplinary
Proceedings against

Interlude Lounge, Inc.
934 South Orange Avenue
Newark, N.J.

Holder of Plenary Retail Consumption :
License C-168, issued by the Municipal :
Board of Alcoholic Beverage Control of :
the City of Newark. :

CONCLUSIONS
and
ORDER

No appearance on behalf of licensee
Donald M. Newmark, Esq., Appearing for Division

BY THE DIRECTOR:

The Hearer has filed the following report herein:

Hearer's Report

A charge was preferred against the licensee as follows:

"On April 13, 1976, you possessed, had custody of and allowed, permitted and suffered in and upon your licensed premises alcoholic beverages in bottles which bore labels which did not truly describe their contents, viz.,

One quart bottle labeled Johnnie Walker Black Label Blended
Scotch Whisky, 86.8 proof
One quart bottle labeled Johnnie Walker Red Label Blended
Scotch Whisky, 86.8 proof
One quart bottle labeled Tanqueray Special Dry Distilled
English Gin, 94.6 proof
One quart bottle labeled Tanqueray Special Dry Distilled
English Gin, 94.6 proof
One-half gallon bottle labeled Gordon's Distilled London Dry
Gin, 86 proof
One-half gallon bottle labeled Gordon's Distilled London Dry
Gin, 86 proof;

in violation of Rule 27 of State Regulation No. 20."

Service of Notice of the above charge was effected upon the licensee by certified mail addressed to the licensed premises on June 22, 1976, requiring that it submit its plea to the said charge on or before July 14, 1976. Upon failure of the licensee to respond, the Prosecution Section of this Division served upon the licensee, by certified mail addressed to licensed premises on July 16, 1976 and also

upon Frank O. Scelfo, president of the corporate licensee at his residence on July 16, 1976, a notice which reads as follows:

"Please be advised that due to your failure to plead to Notice and Charges dated June 21, 1976 under S-10,817, a not guilty plea has been entered in your behalf.

Hearing on this matter is scheduled for Thursday, August 26, 1976 at 9:30 A.M.

If you fail to appear, the hearing will proceed ex parte and you will be notified of the result."

No plea to the charge was entered by the licensee, nor did it appear by any of its officers or by attorney at the scheduled hearing. Nor was any explanation given for licensee's failure to respond. Accordingly, the hearing was held and proof was presented ex parte.

The report of the Division chemist establishes that all of the above mentioned bottles containing alcoholic beverages, therein described, and which were found in the licensed premises by Division agents, bore labels which did not truly describe their contents. The contents were not genuine in that items one and two in the abovementioned charge were off-in-color; items three and four in the abovementioned charge were low-in-proof; and five and six in the above-mentioned charge were over-in-proof.

It is a well-established principle that a licensee is responsible for any alcoholic beverages not truly labeled, which are found in its licensed premises. Cedar Restaurant and Cafe Lounge v. Hock, 135 N.J.L. 156 (Sup.Ct.1947).

Thus, I find that the Division has established the truth of the charge by a fair preponderance of the evidence, indeed, by unchallenged evidence.

Licensee has no prior adjudicated record.

It is, therefore, recommended that the license be suspended for thirty (30) days.

Conclusions and Order

No exceptions to the Hearer's Report were filed pursuant to Rule 6 of State Regulation No. 16.

Having carefully considered the entire record herein including the transcript of the testimony, the exhibits and the Hearer's Report, I concur in the findings and conclusions of the Hearer and adopt his recommendations as my conclusions herein.

Licensee's request for a deferment of the suspension of the license until February 1977 is denied.

Accordingly, it is, on this 29th day of October 1976

ORDERED that Plenary Retail Consumption License C-168 issued by the Municipal Board of Alcoholic Beverage Control of the City of Newark to Interlude Lounge, Inc., for premises 934 South Orange Avenue, Newark, be and the same is hereby suspended for thirty (30) days, commencing at 2:00 A.M. Monday, November 8, 1976 and terminating at 2:00 A.M. Wednesday, December 8, 1976.

JOSEPH H. LERNER
DIRECTOR

3. DISCIPLINARY PROCEEDINGS - SUPPLEMENTAL ORDER.

In the Matter of Disciplinary
Proceedings against

Len E's Pagoda, Inc.
t/a Len E's Pagoda
453 River Styx Road
Box 781, Hopatcong, N.J.

and

Extended to

George J. Minish, Receiver
for Len E's Pagoda, Inc.
Same address

Transferred to

Roxbury State Bank
(never effective)

Transferred to

Jolly Buccaneer, Inc.
Same address

Transferred to

W. B. J. Corporation
Same address

Holder of Plenary Retail Consump-
tion License C-11, issued by the
Borough Council of the Borough of
Hopatcong.

Goldberg & Simon, Esqs., by Gerald M. Goldberg, Esq., Attorneys for
Licensee

BY THE DIRECTOR:

On February 22, 1974 Conclusions and Order were entered herein suspending the subject license for five days, the effective dates of which were not fixed since the premises were then closed, and were not being operated.

Recent Division investigation establishes that the licensee is presently operating on a substantial full-time basis. Therefore, the suspension can now be reimposed.

Accordingly, it is, on this 3rd day of November 1976,

SUPPLEMENTAL
ORDER

ORDERED that Plenary Retail Consumption License C-11, issued by the Borough Council of the Borough of Hopatcong to W. B. J. Corporation for premises 453 River Styx Road, Hopatcong, be and the same is hereby suspended for five (5) days, commencing at 3:00 a.m. Friday, November 12, 1976 and terminating at 3:00 a.m. Wednesday, November 17, 1976.

JOSEPH H. LERNER
DIRECTOR

4. DISCIPLINARY PROCEEDINGS - ORDER.

In the Matter of Disciplinary)
Proceedings against)

Len E's Pagoda, Inc.)
t/a Len E's Pagoda)
453 River Styx Road)
Box 781, Hopatcong, N. J.)

and)

Extended to)

George J. Minish, Receiver)
for Len E's Pagoda, Inc.)
Same address)

O R D E R

Transferred to)

Roxbury State Bank)
(never effective))

Transferred to)

Jolly Buccaneer, Inc.)
Same address)

Transferred to)

W. B. J. Corporation)
Same address)

Holder of Plenary Retail Consumption)
License C-11, issued by the Borough)
Council of the Borough of Hopatcong.)

Goldberg & Simon, Esqs., by Gerald M. Goldberg, Esq., Attorneys for Licensee

BY THE DIRECTOR:

On November 3, 1976 a Supplemental Order was entered herein suspending the subject license for five (5) days commencing on Friday, November 12, 1976 and terminating on Wednesday, November 17, 1976.

By letter dated November 8, 1976 the attorney for the licensee has made application for the imposition of a fine, in compromise, in lieu of suspension of license.

I shall enter an Order herein staying the said suspension pending my consideration of the said application, and until the entry of a further Order herein.

Accordingly, it is, on this 9th day of November 1976,

ORDERED that the Supplemental Order entered herein suspending the said license for five (5) days commencing Friday, November 12, 1976 be and the same is hereby stayed pending my consideration of licensee's application to pay a fine, in compromise, in lieu of suspension of license, and until the entry of a further Order herein.

JOSEPH H. LERNER
DIRECTOR

5. DISQUALIFICATION PROCEEDINGS - SIX PRIOR CONVICTIONS FROM 1941 THROUGH 1967 -
VARIED CRIMES - APPLICATION FOR REMOVAL DENIED.

In the Matter of an Application)	
to Remove Disqualification be-)	CONCLUSIONS
cause of a Conviction, Pursuant)	AND
to N.J.S.A. 33:1-31.2.)	ORDER

Case No. 3013

- - - - -)

Donald M. Newmark, Esq., Appearing for Division.

BY THE DIRECTOR:

Petitioner requests the entry of an Order removing his statutory disqualification resulting from his convictions of various crimes involving moral turpitude.

The following is a summary of petitioner's record of convictions of crime:

- 1941 - Breaking, entering and theft. Sentenced to 30 days in County Jail in State of Connecticut.
- 1942 - Petty larceny. State of New York. Sentence not given.
- 1944 - Attempted burglary. Sentenced to 2½ to 5 years in Sing Sing in the State of New York.
- 1952 - Possession of burglary tools. Indeterminate sentence - Riker's Island in the State of New York.
- 1955 - Robbery in the State of New York. Sentence not given.
- 1967 - Possession of a weapon - Sentenced to 18 months in the Essex County Penitentiary.

At the hearing held herein, petitioner, age 55, testified that he is married, that for the past nine years he has lived at R.D. 1, Box 319, Branchville, N.J.

Petitioner further testified that he is asking for the removal of his disqualification to be free to be engaged in the alcoholic beverage industry in this State, and that, ever since his conviction in 1967, he has not been convicted of any crime.

The Police Department of the municipality wherein the petitioner resides reports that there are no complaints or investigations presently pending against petitioner.

Petitioner produced three character witnesses (a dry cleaning plant owner, a key punch operator and a retired steel worker) who testified that they have known petitioner for more than five years last past and that, in their opinion, he is now an honest, law-abiding person with a good reputation.

To afford petitioner the relief requested, it is necessary that I find petitioner has conducted himself in a law-abiding manner for five years last past, and that his association with the alcoholic beverage industry in this State will not be contrary to the public interest. See N.J.S.A. 33:1-31.2.

While more than five years have elapsed since the petitioner's conviction in 1967, I find that, by reason of petitioner's long criminal record, his association with the alcoholic beverage industry will be contrary to the public interest.

Accordingly, it is, on this 16th day of November, 1976

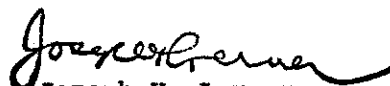
ORDERED that petition herein be and the same is hereby denied.

JOSEPH H. LERNER
DIRECTOR

6. STATE LICENSES - NEW APPLICATION FILED.

Allwood Distributors, Inc., t/a Allo Wines
654 Rahway Avenue, Union, N. J.

Application filed January 31, 1977 for person-to-person transfer
of Wine Wholesale License WW-16 from Allo Enterprises, Inc., t/a Allo Wines


Joseph H. Lerner
Director