

PETITION TO FINE, SUSPEND, OR * BEFORE THE ALCOHOLIC
 REVOKE THE ALCOHOLIC *
 BEVERAGE LICENSE OF MI WON LEE * BEVERAGE HEARING BOARD
 ON BEHALF OF HANYU, INC., t/a *
 A MUSE * FOR
 *
 * HOWARD COUNTY, MARYLAND
 *
 * Case No.: 16-50-V

DECISION AND ORDER

The Board of License Commissioners for Howard County, Maryland (the “Liquor Board”), pursuant to Rule 1.02(A) of the Liquor Board Rules and Regulations, has delegated the authority to hear and decide cases to the Alcoholic Beverage Hearing Board for Howard County, Maryland (the “Hearing Board”). This Proposed Decision and Order shall take effect immediately in accord with Rule 7.05(C), and shall become Final, as provided in Rule 6.13.

On November 8, 2016, the Hearing Board heard the Petition of Howard County, Maryland and the Alcoholic Beverage Hearing Board (collectively “Petitioners”), to Fine, Suspend, or Revoke the Class B Beer, Wine, and Liquor 7-day on- sale license of Mi Won Lee (“Licensee”), held on behalf of Hanyu, Inc., t/a A Muse, located at 8801 Baltimore National Pike, Suite 17, Ellicott City, Maryland 21043. The Licensee was represented by Thomas M. Meachum, Esquire.

The following documents were presented to the Hearing Board and entered into record: the Petition to Fine, Suspend, or Revoke the alcoholic beverage license for Hanyu, Inc., t/a A Muse, a letter dated October 25, 2016, from the Liquor Board Administrator to the attorney for the Licensee, advising of the hearing date of November 8, 2016, and enclosing

the Petition to Fine, Suspend, or Revoke the alcoholic beverage license for Hanyu, Inc., t/a A Muse.

STIPULATIONS

The attorney for the Licensee agreed to a partial stipulation to the allegations of the Petition, including the following:

1. On or before May 1, 2015, the Respondent applied for and received a Class B Beer, Wine, and Liquor 7-day on-sale license for Hanyu, Inc., t/a A Muse, located at 8801 Baltimore National Pike, Suite 17, Ellicott City, Maryland 21043. A Muse is located in Howard County, and is subject to the jurisdiction of the Board of License Commissioners for Howard County.
2. At all times relevant to these proceedings, the Licensee was responsible for the operation of A Muse, and responsible for ensuring compliance with all local and State laws concerning the distribution, sale, and transfer of alcoholic beverages to members of the public.
3. During the September 13, 2016, hearing, the Respondent was represented by counsel and testified under oath that she had sold the licensed business and ceased to be involved in the operations of the business around December of 2015.
4. After the September 13, 2016, hearing, the Respondent submitted an Asset Purchase Agreement by and between Hanyu, Inc. and K Pocha, Inc., involving the sale of the business from Hanyu to K Pocha.
5. The records of the Liquor Board indicate that a Management Agreement between Hanyu, Inc. and K Pocha, Inc. was filed with the Board on August 11, 2016 under a cover letter indicating that K Pocha has been managing the business since November 30, 2015.

6. Pursuant to Rule 4.09, when a licensee enters any agreement for a prospective purchaser to manage the business, a management agreement must be provided to the Liquor Board within 10 days.
7. The Respondent violated Rule 4.09 by failing to submit a management agreement to Board within 10 days of making an agreement with a prospective purchaser. The Licensee did not stipulate to the alleged violations of Liquor Board Rules 2.03 and 5.19, which alleged that the Licensee failed to update the Boards as to a change in corporate officers.

SUMMARY OF TESTIMONY

Thomas M. Meachum, Esquire, attorney for Hanyu, Inc., t/a A Muse, responded to the Petition to Fine, Suspend, or Revoke their alcoholic beverage license. Mr. Meachum stated that there is no dispute that the Licensee failed to submit a management agreement within ten days of entering an agreement for a prospective purchaser to manage the restaurant. Mr. Meachum stated records of the Liquor Board indicate that Mi Won Lee is the 10% shareholder and Licensee, and Jum Kyung Suh is the 90% shareholder of Hanyu, Inc., t/a A Muse. Mr. Meachum acknowledged that Hyung S. Suh, husband of Jum Kyung Suh, signed the Asset Purchase Agreement, dated September 15, 2015, between Hanyu, Inc., t/a Café A Muse and K Pocha, Inc. Mr. Meachum submitted the following Exhibits:

Exhibit #1 – Articles of Incorporation, dated January 19, 2012, submitted with the original application for Hanyu, Inc., t/a A Muse

Exhibit #2 -a copy of the original application for Hanyu, Inc., t/a A Muse, and the First Organization Meeting of Shareholders and Stockholders

Exhibit #3 – a copy of the decision and order for Hanyu, Inc., t/a A Muse

Exhibit #4 – a copy of the 2014/2015 renewal application for Hanyu, Inc., t/a A Muse

Mr. Meachum stated that on page three of the application, Ms. Suh is listed as a 90% shareholder of Hanyu, Inc. Mr. Meachum stated that attached to the application is the First

Organization Meeting of Shareholders and Stockholders. Within this document, Mr. Meachum stated that #6 indicates that there are no corporate directors, and #7 indicates that there are no officers of the corporation. Mr. Meachum stated that Hanyu is a closed corporation, in which the shareholders control the corporation, and that only one shareholder is required to be on the license. Mr. Meachum stated Mi Yon Lee is the Licensee and 10% shareholder for Hanyu, Inc., t/a A Muse. Mr. Meachum stated that in the Decision and Order originally granting a license to Hanyu, Inc., t/a A Muse, Jum Kyung Suh, testified as a 90% shareholder. On the 2014/2015 renewal application for Hanyu, Inc., t/a A Muse, Mr. Meachum proffered that Ms. Suh stated that her attorney told her to sign it as the President of the corporation. Mr. Meachum proffered that there was not a President for the corporation, but that Ms. Suh followed her attorney's directions.

Mr. Meachum proffered that Hyung Suh, Jum Kyung Suh's husband, took care of the negotiations for the sale of the business, and Jum Kyun Suh was in control of the restaurant. Mr. Meachum proffered that this decision was based on cultural factors, and that the Suhs have been transparent throughout the liquor licensing process. Mr. Meachum proffered that Mr. Suh signed the Asset Purchase Agreement and Management Agreement as "President" of Hanyu, Inc., even though he was not President of the corporation.

Based on the evidence presented at the hearing, the Hearing Board makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Hearing Board finds that Mi Won Lee is a Licensee on behalf of Hanyu, Inc., t/a A Muse, a Class B Beer, Wine, and Liquor 7-day on-sale license located at 8801 Baltimore National Pike, Suite 17, Ellicott City, Maryland 21043.

2. The Hearing Board finds that the Licensee failed to submit a management agreement to the Liquor Board within 10 days of making an agreement with a prospective purchaser to manage the business.
3. The Hearing Board finds that the Licensee has violated Liquor Board Rule 4.09 – Agreement in Anticipation of Transfer of License.
4. The Hearing Board finds that it is not necessary to revoke the liquor license, but in order to ensure compliance with the law and Rules and Regulations, it is necessary to impose a fine in the amount of Two Hundred Dollars, (\$200.00), and a fee of Two Hundred Sixty Dollars (\$260.00), for the cost of the hearing as provided by Rule 7.05(B), for a total of Four Hundred Sixty Dollars (\$460.00).

CONCLUSIONS OF LAW

1. The Hearing Board concludes that Mi Won Lee is a Licensee on behalf of Hanyu, Inc., t/a A Muse, a Class B Beer, Wine, and Liquor 7-day on-sale license located at 8801 Baltimore National Pike, Suite 17, Ellicott City, Maryland 21043.
2. The Hearing Board concludes that the Licensee has violated Liquor Board Rule 4.09 – Agreement in Anticipation of Transfer of License
3. The Hearing Board concludes that it is not necessary to revoke the liquor license, but in order to ensure compliance with the law and Rules and Regulations, it is necessary to impose a fine in the amount of Two Hundred Dollars, (\$200.00), and a fee of Two Hundred Sixty Dollars (\$260.00), for the cost of the hearing as provided by Rule 7.05(B), for a total of Four Hundred Sixty Dollars (\$460.00).

ORDER

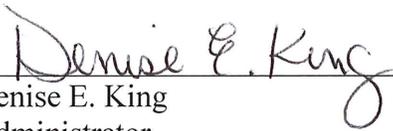
For the foregoing reasons, and upon finding a violation of Rule 4.09 of the Liquor Board's Rules and Regulations, it is this 15th day of November, 2016, by the Alcoholic Beverage Hearing Board for Howard County, Maryland, **ORDERED:**

1. That a **FINE** in the amount of **Two Hundred Dollars, (\$200.00)**, for violation of Rule 4.09 of the Liquor Board's Rules and Regulations, and a **Fee of Two Hundred Sixty Dollars (\$260.00)**, for a total of **Four Hundred Sixty Dollars (\$460.00)**, is **HEREBY IMPOSED** upon Mi Won Lee, Licensee on behalf of Hanyu, Inc., t/a A Muse, a Class B Beer, Wine, and Liquor 7-day on-sale license located at 8801 Baltimore National Pike, Suite 17, Ellicott City, Maryland 21043, and **SHALL BE PAID NO LATER THAN DECEMBER 31, 2016.**

ATTEST:

ALCOHOLIC BEVERAGE HEARING

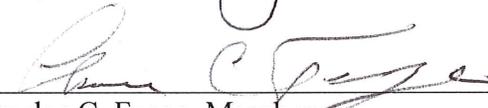
BOARD OF HOWARD COUNTY,
MARYLAND


Denise E. King
Administrator


Mary Bird, Chairperson


Heather Gaetano, Vice-Chairperson

REVIEWED BY HOWARD COUNTY
OFFICE OF LAW
GARY W. KUC
COUNTY SOLICITOR


Charles C. Feaga, Member


Lewis Taylor, Esquire
Assistant County Solicitor

RECUSED
Charley C. Sung, Member

ANY PERSON AGGRIEVED BY THIS DECISION AND ORDER MAY APPEAL THE
DECISION TO THE LIQUOR BOARD WITHIN TEN DAYS OF THE DATE OF THE
DECISION, IN ACCORD WITH RULE 6.14 OF THE RULES AND REGULATIONS OF
THE LIQUOR BOARD.