

**HEARING BEFORE A PANEL
OF THE BOARD OF
ALBERTA GAMING, LIQUOR AND CANNABIS COMMISSION**

**IN THE MATTER OF the *Gaming, Liquor and Cannabis Act*
Revised Statutes of Alberta 2000, Chapter G-1, as amended
and the Regulation**

and

**M.A.R Ltd.
o/a Arena 7 Lounge (Licensee)
c/o Traffic Ticket Specialist
10259 105 St NW
Edmonton, AB T5J 1E3**

DATE OF HEARING:	September 30, 2025
HEARING PANEL:	Tongjie Zhang, Presiding Member Angela Tu Weissenberger, Panel Member
LICENSEE / REPRESENTATIVE:	Shawn Allan, Representative
REGULATORY SERVICES DIVISION:	Toni Hazelwood, Hearing Officer Mitch Ferguson, Resource Officer
OBSERVER	Vicky Singh, AGLC Inspector

DECISION OF THE HEARING PANEL

The Panel finds that M.A.R Ltd., operating as Arena 7 Lounge (the Licensee), contravened section 91(1)(a) of the *Gaming, Liquor and Cannabis Act* (the Act) by violating the Board-imposed Conditions on the Class A Minors Prohibited liquor licence numbered 783410-1 (the Licen
In accordance with section 91(2)(d) of the Act, the Panel cancels the Licence effective immediately.

Alberta Gaming, Liquor and Cannabis Commission (AGLC) will need to make a determination with respect to the disposition of the liquor, in accordance with section 95 of the Act.

I. Jurisdiction and Preliminary Matters

[1] On June 17, 2025, Gary Peck, the Vice President of the Regulatory Services Division (Regulatory Services) of AGLC contacted Len Rhodes, Board Chair, via email to request that the Board convene a hearing for M.A.R Ltd. operating as Arena 7 Lounge (the Licensee) as a result of the following alleged contravention:

- Section 91(1)(a) of the Act: The board may do any one or more of the things referred to in subsection (2) if the board is of the opinion that (a) a licensee or registrant has failed to comply with this Act, an order of the board or a condition imposed on a licence or registration.

[2] Pursuant to sections 91(1)(a) and 91(2) of the Act and the Administrative Sanction Guideline for Violations (the Guideline), the Board Chair directed that a hearing before a Panel of the Board be convened.

[3] In accordance with section 11 of the Act, the Board Chair designated two members of the Board to sit as a Panel to conduct the hearing and make a decision – Tongjie Zhang (Presiding Member) and Angela Tu Weissenberger.

[4] On July 7, 2025, Gary Peck contacted Len Rhodes via email to request that the Board convene a hearing for the Licensee as a result of the following alleged contravention:

- Section 91(1)(a) of the Act: The board may do any one or more of the things referred to in subsection (2) if the board is of the opinion that (a) a licensee or registrant has failed to comply with this Act, an order of the board or a condition imposed on a licence or registration.

[5] Board Chair Rhodes directed that both alleged contraventions of section 91(1)(a) of the Act be heard at one hearing before the same Panel.

[6] The alleged contraventions of section 91(1)(a) of the Act are in relation to violations of certain conditions on the Licence. Regulatory Services imposed the following conditions (each a Condition, and collectively, the Conditions) on the Licence on October 18, 2021, and a Panel of the Board of AGLC confirmed the Conditions by way of a hearing decision dated October 4, 2024:

1. An incident log book is to be maintained at the premises to record incidents (e.g. patron removals, intoxication, fights, disturbances, police attendance, etc.) and action taken by staff. The incident log shall include the date, time type of incident, incident details, and names of parties involved. The incident log is to be available to the AGLC and/or police on request and retained for 24 months.
2. At point and time of entry and re-entry to the premises, the Licensee must:
 - (a) Request and require (as a condition of entry) approved identification from all patrons entering the premises. All identification must be scanned by a scanning system and have the capability of retaining a name, age, and picture. A scanning system must be in place within 30 days of the implementation of these conditions.
 - (b) Check/store all patron's coats.
 - (c) Search all bags/purses for weapons/drugs (anyone found in the possession of weapons or illegal drugs is to be refused entry).
 - (d) Scan all patrons using a metal detector to prevent the entry of weapons (anyone found in the possession of weapons is to be refused entry).

3. The premises must have video surveillance approved by the AGLC, as follows:
 - (a) Video surveillance recording devices and lighting at each entrance to the premises, of sufficient quality to identify facial features of patrons entering the premises and door staff working at the entrances.
 - (b) Video surveillance recording devices and lighting to provide complete/surveillance coverage of patron areas (excluding washrooms) of sufficient quality to identify facial features of patrons and staff.
4. The video surveillance recordings must be retained for a minimum of 28 days and shall be made available to AGLC and/or police on request. Recordings must be accurately dated and labeled for ease of reference.

[7] Len Rhodes' tenure on the Board of Directors ended as of August 14, 2025, and Larry Spagnolo's appointment as Board Chair commenced August 15, 2025. Board Chair Spagnolo signed the Notice of Hearing dated August 19, 2025.

[8] The parties and the Hearing Panel were provided with records containing various documents pertaining to the issues before the Panel. Mr. Allan confirmed receipt of the Notice of Hearing dated August 19, 2025 and the attached hearing records. The following documents were entered into evidence:

- Exhibit 1A Hearing Record A, including Tabs 1 to 2
- Exhibit 1B Hearing Record B, including Tabs 1 to 2
- Exhibit 2 Additional submissions provided by Regulatory Services, including Tabs 1 to 5
- Exhibit 3 Additional submissions provided by Regulatory Services, including Tabs 1 to 3
- Exhibit 4 Documents provided by the Licensee, including Tabs 1 to 6

II. Issues

[9] Did the Licensee contravene section 91(1)(a) of the Act?

[10] If the Licensee contravened section 91(1)(a) of the Act, what sanction should the Panel impose in accordance with section 91(2) of the Act?

III. Regulatory Services Submissions

[11] Regulatory Services called three witnesses:

- Constable Kirt McDonald – former Edmonton Police Service (EPS) member
- Heather Snodgrass – AGLC Inspector
- James Kulak – AGLC Inspector

[12] The following is a summary of the evidence provided by Constable McDonald, Inspector Snodgrass and Inspector Kulak.

Constable McDonald

[13] Constable McDonald is currently a member of the Lethbridge Police Service. When he was a member of the EPS, Arena 7 Lounge fell within his area of responsibility.

[14] Constable McDonald said EPS expended a lot of resources in an attempt to mitigate the problems at Arena 7 Lounge. A shooting occurred in the back parking lot last year, and the licensed premises was also on Constable McDonald's radar because large groups of people had been seen in the back parking lot as late as 5:00 a.m. EPS ran licence plates and found numerous firearms prohibitions. Constable McDonald stated that he figured out that the people were coming from the back door of Arena 7 Lounge, so he started to proactively check that location and contacted AGLC. The checks were meant to put some pressure on the Licensee and disrupt the behaviours observed around the licensed premises.

[15] On March 14, 2025, Constable McDonald conducted an operating check at Arena 7 Lounge just after midnight to ensure that they were following the Conditions and the conditions imposed by the City of Edmonton.

[16] Constable McDonald provided a summary of his operating check. Upon walking down the stairs into the licensed premises, Constable McDonald noticed that no one was at the front entrance and observed seven or eight patrons inside. He knew the Conditions required Arena 7 Lounge to have a security person at the entrance scanning ID and using a metal detector wand on patrons. The manager approached Constable McDonald, and he asked the manager why there was no one at the front entrance. The manager said that he did not have to scan their IDs because all the patrons were family. Constable McDonald informed the manager that everyone still needed to have their ID scanned pursuant to the Conditions. The manager walked with Constable McDonald to the ID scanner and said it was not working. Constable McDonald asked the manager how long the ID scanner had been broken, and the manager said about a week.

[17] Constable McDonald knew the Licensee was required to log all issues, and when the manager advised that he had not been recording the issues, Constable McDonald asked to see the Conditions.

[18] Constable McDonald stated that he also noticed a cloud and the smell of what he believed to be shisha or hash when he entered Arena 7 Lounge.

[19] During his time with EPS, Constable McDonald did not observe the Licensee make any improvements with respect to adhering to the Conditions.

[20] Constable McDonald said that he is not aware of any City of Edmonton business licence conditions that conflict with the Board-imposed Conditions.

[21] When Mr. Allan referred to an email (Exhibit 1A, Tab 1, Attachment 1) to an individual at the City of Edmonton and others and asked Constable McDonald if he authored it, he said he believes it is his email but has not had access to his EPS email account since June 13, 2025.

[22] When Mr. Allan asked whether the email represents his notes of the incident or if he created separate notes, Constable McDonald said that his email was a quick synopsis, and he created a separate EPS report with notes. He further advised that he did not provide his full EPS report to Regulatory

Services.

[23] When Mr. Allan asked Constable McDonald why his email does not make note of the non-operational ID scanner, he said that he recalled this issue within the last couple of weeks when he reviewed his report, and he must have forgotten to document it at the time.

[24] When Mr. Allan asked Constable McDonald if he could recall when he first became aware of Arena 7 Lounge, Constable McDonald said that he does not have an exact date but thinks it was at the beginning of February 2025. He further clarified that he knew of Arena 7 Lounge a couple of months before that, but he was not focused on it.

[25] When Mr. Allan asked Constable McDonald if he could speak firsthand to calls or entry into Arena 7 Lounge prior to becoming aware of it, Constable McDonald said that he could speak to the calls with respect to the outside area around the licensed premises. He further stated that:

- without looking at statistics, he does not know how many calls EPS received regarding Arena 7 Lounge; and
- he dealt with calls for service that involved individuals going in and out the back entrance of Arena 7 Lounge which did not require him to enter the licensed premises.

[26] When Mr. Allan asked if the parking lot behind Arena 7 Lounge is used by any other businesses, Constable McDonald advised that there are a recording studio and a cafeteria in the same complex.

[27] When Mr. Allan asked if March 14, 2025 was the first time he entered Arena 7 Lounge, Constable McDonald stated that he was in the licensed premises sometime in February 2025 and received a copy of the Conditions at that time.

[28] When Mr. Allan asked Constable McDonald if there were any other occasions where he found that the Licensee was not complying with the Conditions, Constable McDonald advised that there is at least one other occasion, but he does not have any reports and could not recall the nature of the violation. Every time he found a breached Condition, he sent an email. He further stated that he had a group meeting at Arena 7 Lounge with AGLC and the business licensing department of the City of Edmonton.

[29] When Mr. Allan asked if he could recall the name of the manager he spoke with on March 14, 2025, Constable McDonald said he did not remember his name and had not seen this individual before, but he recalled there was a language barrier. He further stated that this individual was not at the meeting held with the owner and two managers a week or two before this incident.

[30] Mr. Allan asked the Panel if he could bring Mr. Haile into the room to confirm that he was not the person that Constable McDonald spoke to on March 14, 2025. Regulatory Services did not object to the request, nor did the Panel. Mr. Haile was brought into Mr. Allan's room, and Constable McDonald confirmed that Mr. Haile was not the person he dealt with on March 14, 2025.

[31] When Mr. Allan asked Constable McDonald if he was told that there were no patrons other than family members in attendance at Arena 7 Lounge on March 14, 2025, Constable McDonald confirmed that that was what he was told. He further stated that if there were only family members there, then

you would think the door would be locked and they would not be open for service.

[32] When asked by the Panel if he saw that identification was not being scanned because the scanner was down on March 14, 2025, Constable McDonald said that nobody was standing at the ID scanner, and the manager said that it had been broken for a week. He further stated that it seemed like the manager was using an excuse, and the ID scanner issues had not been logged.

[33] When the Panel asked if he saw any IDs get scanned during his visit to Arena 7 Lounge on March 14, 2025, Constable McDonald said that no new patrons entered the licensed premises while he was there, and the people who were already there did not have their IDs scanned.

[34] When the Panel asked who attended the sit-down meeting and what it was about, Constable McDonald advised that:

- five members of the Public Safety Compliance Team (PSCT) attended the meeting;
- they discussed the Conditions because the Licensee had a history of not complying with them;
- the use of the back door for re-entry was a big topic of their discussion; and
- the Licensee and staff were told if they continued to violate the Conditions, they would face further penalties.

Inspector Snodgrass

[35] Inspector Snodgrass has been an inspector with AGLC for eight years. She authored an Incident Report (Exhibit 1A, Tab 1) dated June 13, 2025, which details an incident that occurred on March 14, 2025 at Arena 7 Lounge (Incident Report A).

[36] Inspector Snodgrass advised that Regulatory Services put the Conditions on the Licence due to a history of public safety concerns at the premises location.

[37] Inspector Snodgrass said that Constable McDonald advised Regulatory Services that he had conducted a walkthrough at Arena 7 Lounge on the evening of March 13, 2025 and into the morning of March 14, 2025 and found that there was no security person at the door, the ID scanner was not working, and there was smoke in the air.

[38] Inspector Snodgrass was assigned to look into Constable McDonald's findings and requested video surveillance footage from the Licensee. Upon reviewing the footage, she found six contraventions that corresponded with the information provided by EPS.

[39] Inspector Snodgrass stated that she was not provided with footage of the back stairwell and the back door. The scanning system is located at the landing of the front entrance of Arena 7 Lounge, and Inspector Snodgrass said that it can be inferred that any patrons entering through the back door did not have their ID scanned. This is listed as Condition violation #1 in Incident Report A.

[40] Inspector Snodgrass said that the Licensee failed to provide any footage of the front stairwell leading into Arena 7 Lounge, the ID scanner area and the coat check area located at the front entrance. In accordance with the Conditions, the cameras must cover and record all patron areas, the cameras must cover and record each entrance and exit, and video surveillance footage must be made available upon request. These violations are listed in Incident Report A as Condition violations #3, #5 and #6, respectively.

[41] Inspector Snodgrass advised that the Licensee's failure to scan all identification is listed as Condition violation #2 in Incident Report A.

[42] Inspector Snodgrass said that the video surveillance footage (Exhibit 2, Tab 5) does not show time or date stamps, which is listed as Condition violation #4 in Incident Report A. She walked the Panel through the video surveillance footage and highlighted the following violations listed in Incident Report A:

- A female is in the Arena 7 Lounge kitchen during operating hours preparing a hookah pipe with a red-colored substance consistent with shisha tobacco, which has been prohibited for use in establishments by the City of Edmonton since June 1, 2020.
- At the service bar, one male is wearing a white coat and another male is wearing a dark-coloured coat. At the pool table, one male is in a white coat and another male is in black puffer vest. These instances speak to Condition violation #2 in Incident Report A. Inspector Snodgrass advised that throughout the footage, there are multiple people who enter and exit with puffy winter coats.
- Two males enter the licensed premises from the back entrance.
- A camera angle of the front outside area of Arena 7 Lounge shows two EPS members arrive.
- Amine Gebrehab, a director and shareholder of M.A.R Ltd., is seated adjacent to the pool table. He is seen running off camera when EPS members arrive.
- Mr. Gebrehab removes a hookah pipe from a patron, runs onto the stage and hides the pipe. The lit charcoal falls onto the stage, and Mr. Gebrehab stomps on the sparks.
- The EPS members enter Arena 7 Lounge at approximately 12:23 a.m. and speak with Mr. Gebrehab.
- A male in a white coat is standing by the service bar and two males adjacent to the pool table are wearing a puffy vest and a gray puffer style coat.
- Mr. Gebrehab is seen interacting with the patrons for a long period of time, and he does not appear to ask any of the patrons to remove their coats.
- After spending approximately eight minutes inside the licensed premises, the EPS members exit.
- Mr. Gebrehab retrieves the hidden hookah pipe.
- Footage of the outside of the licensed premises shows the lights turn off.
- Footage of the inside shows the lights off with patrons sitting in the dark. One patron exits out the back door, and no patrons are seen leaving through the front door at any time.

[43] Inspector Snodgrass advised that it took six attempts to obtain the video surveillance footage from the Licensee. During this time, she received a phone call from former approved manager (Mr. E) asking why she still needed to review the footage since the Licensee had admitted to what happened during Constable McDonald's visit. Inspector Snodgrass also received an email from Mr. E (Exhibit 2, Tab 3) stating that from the night of March 13, 2025 to the morning of March 14, 2025 was slow, so only friends and family were in the licensed premises.

[44] Throughout this matter, Inspector Snodgrass dealt with Mr. E until about April 9, 2025 and then received an email from Mr. Haile advising that he was now a 50% shareholder of M.A.R Ltd. and would provide the requested footage. Inspector Snodgrass stated that she never received complete footage of Arena 7 Lounge, and Mr. Haile told her that sometimes there are internet issues in the licensed premises that can cause issues with the cameras and recordings. Mr. Haile also told her that Mr. Gebrehab invited friends and family to Arena 7 Lounge on March 13 – 14, 2025 because it was a slow night, but he did not provide an explanation for the hookah pipe seen in the video surveillance footage. Inspector Snodgrass advised the Panel advised that the Conditions are still in effect when there are private events with friends and family.

[45] On April 10, 2025, Inspector Snodgrass met with Mr. Haile at Arena 7 Lounge. She reviewed the Conditions with him, and he thought they were only in effect from Thursday to Sunday. Inspector Snodgrass referred to the liquor licence (Exhibit 1A, Tab 2), which does not state that the Conditions are only effect on certain days. Inspector Snodgrass referred to a letter to Mr. Haile dated April 10, 2025 (Exhibit 2, Tab 4) listing the Conditions, and Mr. Haile signed the letter in acknowledgement of his understanding of them.

[46] Inspector Snodgrass advised that if there is any doubt as to whether or not a coat should be checked, then it needs to be checked. If a patron will not check their coat, they need to be refused entry to Arena 7 Lounge.

[47] If the ID scanning system and/or the video surveillance system malfunction, Inspector Snodgrass said that the Licensee is expected to document the issue in the logbook, report it to Regulatory Services and explain how the issue will be rectified. The Licensee also needs to be aware that if they continue to operate without an ID scanning system and/or a video surveillance system that aligns with the Conditions, they could be subject to administrative sanctions. Over the course of her investigation, Inspector Snodgrass found that none of these actions were taken by the Licensee.

[48] When Mr. Allan asked if she made six separate requests to Mr. Haile for video surveillance footage, Inspector Snodgrass clarified that the requests were to Mr. E and Mr. Haile. She further stated that Mr. Haile said he would provide the footage.

[49] When Mr. Allan asked Inspector Snodgrass if she could recall her conversation about the time and date stamp issue with Mr. Haile, she said that she asked Mr. Haile to activate the time and stamp function on the video surveillance footage, and he indicated that he did not know how to do that.

[50] When Mr. Allan asked Inspector Snodgrass if Mr. Haile told her he was taking steps to upgrade the video surveillance system, she confirmed that was correct. She further stated that Mr. Haile let her

know when the new cameras were arriving, and he provided her with an invoice from the installer when the cameras were installed.

[51] Mr. Allan read aloud messages between Mr. Haile and Inspector Snodgrass (Exhibit 4, Tab 2) regarding the installation of the new video surveillance system. Inspector Snodgrass confirmed the validity of the correspondence.

[52] Mr. Allan referred to an invoice (Exhibit 4, Tab 5) for the upgraded video surveillance system, and Inspector Snodgrass confirmed that it was the invoice she received from the Licensee and what she would expect to receive from a licensee.

[53] Mr. Allan asked for the video surveillance segment to be replayed where Inspector Snodgrass pointed out several males wearing coats. Inspector Snodgrass referred to a male sitting at the service bar and another male leaning on the service bar. Mr. Allan stated that it looked like the men were wearing hoodies, and Inspector Snodgrass said they were wearing outdoor coats. Mr. Allan asked Inspector Snodgrass if she would call them puffy, and she replied that she called them coats.

[54] When Mr. Allan asked Inspector Snodgrass to clarify which person was wearing a puffy coat, she pointed out a male wearing a puffy vest next to the pool table and noted that there is a male in another segment of the footage wearing a gray puffer jacket.

[55] When Mr. Allan asked Inspector Snodgrass if she could see any clothing underneath the jackets, she stated that the jackets are zipped up and she is not aware if they were wearing clothing underneath.

[56] When Mr. Allan asked Inspector Snodgrass to point out any other males wearing coats, she referred to a male standing behind the pool table wearing a white zipper-style coat who appeared to be wearing a t-shirt underneath. When Mr. Allan said it was a single layer with no padding or puffing, Inspector Snodgrass responded that it was coat.

[57] When Mr. Allan asked Inspector Snodgrass if she ever had a discussion with Mr. Haile about what he views as a coat versus a jacket, she stated that he brought it up when she was visiting Arena 7 Lounge, and he asked why someone could not wear a blazer.

[58] When the Panel asked Inspector Snodgrass if she ever explained to the Licensee why the coat-checking Condition was required, she said that she discussed the Condition with them and explained that anything that can conceal an item is considered a coat. She further stated that the purpose of this Condition is to protect public safety.

[59] When the Panel asked if the Licensee attempted to fix the ID scanning system, Inspector Snodgrass said that her understanding is that the system was only turned off and powering it on would have rectified the situation.

[60] The Panel referred to a letter to Mr. E and a letter to Mr. Haile (Exhibit 2, Tabs 2 and 4, respectively) and asked Inspector Snodgrass to explain how the letters were presented and signed off on. She stated that:

- the letter to Mr. E setting out the Conditions was reviewed with him at a PSCT meeting on February 10, 2023 when he became the approved manager, and he signed it; and
- upon Mr. Haile reaching out to her and stating that he was now the contact person for the Licensee, she conducted the standard operating procedures with Mr. Haile as the new approved manager and reviewed the Conditions with him on April 10, 2025.

[61] When the Panel asked Inspector Snodgrass to elaborate on how the Conditions were reviewed with Mr. E and Mr. Haile, she stated that during each meeting, she went through the Conditions and asked if they had any questions or needed further explanation. Mr. E and Mr. Haile indicated that they did not have any questions, and each signed their letter acknowledging their understanding of the Conditions.

[62] The Panel referred to Exhibit 2, Tab 4 and asked Inspector if the signature block with the name “Roc Haile” was a typo, and she confirmed that was correct.

Inspector Kulak

[63] Inspector Kulak has been an inspector with AGLC for 25 years. He authored an Incident Report (Exhibit 1B, Tab 1) dated July 4, 2025, which details an incident that occurred on June 21, 2025 at Arena 7 Lounge (Incident Report B).

[64] Inspector Kulak provided a summary of the operating check he conducted on June 21, 2025 at 1:42 a.m. with AGLC Inspector Hazel Lees and members of the PSCT:

- Two door staff were at the premises entrance, a female bartender was on duty, approximately 15 patrons were present, and Mr. E and Mr. Haile were both present.
- Upon entering Arena 7 Lounge, Inspector Kulak observed one individual wearing a dark coat and one individual wearing a white checkered hoodie-style coat (Exhibit 1B, Tab 1, Attachment 1).
- Mr. E identified himself as the person in charge that night.
- Inspector Kulak brought the coats to Mr. E’s attention and reminded him that they previously spoke about this issue.
- Mr. E confirmed his understanding of the Conditions, but he asserted that the individuals were not wearing coats, the dark coat was a fashion statement, and the white checkered hoodie-style coat was not a coat.
- Inspector Kulak and Mr. E talked about Regulatory Services’ previous educational efforts, but Mr. E was adamant that the individuals were not wearing coats, he took no corrective action, and neither Mr. E nor any other staff members explained why the coats were not checked.
- Inspector Kulak did not observe any other violations of the Conditions during the operating check.

[65] Inspector Kulak said that the purpose of the coat-checking Condition is to uphold public safety by ensuring that weapons and drug are not brought into Arena 7 Lounge. He further stated that he spoke to Mr. E about the definition of a coat and the intent behind having people remove coats.

[66] Inspector Kulak explained that if an inspector says to a licensee or a staff member of a licensee that they are violating the Act, a policy or a licence condition, he would hope that the licensee or staff member would acquiesce to the inspector and rectify the violation.

[67] On June 24, 2025, Inspector Kulak emailed Mr. E (Exhibit 3, Tab 1) and left a voice message for him.

[68] On June 25, 2025, Inspector Kulak left a voice message for Mr. E and emailed Mr. E and Mr. Gebrehab (Exhibit 3, Tab 1). In his email of June 25, 2025, Inspector Kulak said that he issued a formal request for video surveillance footage for all camera angles from opening on June 20, 2025 until 4:00 a.m. on June 21, 2025. Mr. E responded on June 25, 2025, advised that he was out of town, and asked Inspector Kulak to contact Mr. Haile.

[69] Inspector Kulak emailed Mr. E, Mr. Gebrehab and Mr. Haile on June 26, 2025 (Exhibit 3, Tab 2) with the same request for video surveillance footage and added that the footage had to be provided to Regulatory Services by no later than 4:00 p.m. on July 3, 2025. Inspector Kulak spoke to Mr. Haile on June 26, 2025, and they had an in-depth discussion about the request. Mr. Haile indicated that he understood the request, but the footage was never provided to Inspector Kulak nor did he receive an explanation as to why the request could not be fulfilled. Inspector Kulak said that because Regulatory Services did not receive the footage, they could not confirm if the Conditions were being adhered to during the date of the incident.

[70] On June 27, 2025, Inspector Kulak said that he emailed Mr. E, Mr. Gebrehab and Mr. Haile (Exhibit 3, Tab 3) and advised them that the incident was under review and could result in an incident report being submitted.

[71] Inspector Kulak advised that Incident Report B contains a typographical error; there is a heading that states "Thursday, July 4, 2025" that should state "Friday, July 4, 2025."

IV. Arena 7 Lounge Submissions

[72] The Representative for the Licensee, Shawn Allan, called one witness: Rico Haile, Director and Shareholder of M.A.R Ltd. and approved manager of Arena 7 Lounge.

[73] The following is a summary of the evidence provided by Mr. Haile.

[74] Mr. Haile said that he became a director and a shareholder of M.A.R. Ltd. in February 2025. He also submitted paperwork to AGLC to be recognized as an approved manager of Arena 7 Lounge in April 2025, but in preparation for this hearing he was advised by Inspector Snodgrass that he was not an approved manager. After contacting AGLC about this discrepancy, he became an approved manager in September 2025.

[75] Mr. Haile advised that he is primarily in control of Arena 7 Lounge, and Mr. E resigned in August 2025.

[76] With respect to the incident at Arena 7 Lounge during the evening of March 13, 2025 to the morning of March 14, 2025, Mr. Haile stated that:

- he was not at the licensed premises that evening;
- he reviewed the video surveillance footage provided to Regulatory Services and had a conversation with Mr. Gebrehab about the incident;
- Mr. Gebrehab was out for lunch with his friends and family that day, and Mr. Gebrehab did not scan their IDs when they went with him to Arena 7 Lounge
- the other patrons who came in after had their IDs scanned;
- he understands that the Conditions require every patron's ID to be scanned, including friends and family;
- if he were present that day, the incident would not have happened under his direction and control; and
- the ID scanner did not stop working on March 14, 2025, but there have been times when internet issues have caused the system to malfunction.

[77] Mr. Haile said that Inspector Snodgrass told him that the video surveillance footage provided to Regulatory Services did not have date and time stamps. He was taking over as the approved manager at that time, and he told Inspector Snodgrass that he planned to upgrade the video surveillance system. Mr. Haile stated that he provided updates to Inspector Snodgrass while he was arranging for the video surveillance system upgrade, and he sent an invoice (Exhibit 4, Tab 5) to Inspector Snodgrass once the system upgrade was completed. Mr. Haile confirmed that the new video surveillance system adds date and time stamps.

[78] With respect to the issue of footage for certain camera angles not being provided for the March 14, 2025 incident, Mr. Haile explained that the IT tech discovered that a modem was disrupting the functionality of certain cameras in Arena 7 Lounge. The new video surveillance system included new cameras, and the issue has been rectified.

[79] Mr. Haile explained that when Inspector Kulak requested video surveillance footage in June 2025, there was a "transition time" between himself and Mr. E. Mr. Haile further stated that:

- the initial request for footage was made to Mr. E;
- he subsequently received a request for footage from Inspector Kulak;
- he spoke with Inspector Kulak on the phone and confirmed he would provide Inspector Kulak with the footage;
- he downloaded the footage and tried to call Inspector Kulak;
- when he was preparing for the hearing, he realized in either August or September 2025 that he inadvertently selected "reply" instead of "reply all" on the email chain and responded only to Mr. E about the footage being available for pick up.

[80] Mr. Haile explained that the coat-checking Condition has been a very uncomfortable problem for the Licensee, and there have been issues with differentiating between coats and casual jackets. Sometimes patrons come to Arena 7 Lounge wearing an undershirt with a casual jacket on top, and Mr. Haile said that asking the patron to take off a casual jacket is uncomfortable. Further, patrons do not understand why they are asked to remove their jackets.

[81] Mr. Haile said that he had a conversation with Inspector Snodgrass about the coat-checking Condition issues, and he said that she gave him hope that the Condition would be reviewed. Mr. Haile also wrote an email on September 23, 2024 to the City of Edmonton about his concerns with a coat-checking condition on Arena 7 Lounge's business licence (Exhibit 4, Tab 2).

[82] Mr. Haile stated that he understands that the coat-checking Condition is on the Licence for public safety reasons, but Arena 7 Lounge has security staff at the front entrance who prevent weapons from being brought into the licensed premises by patting down patrons, using a metal detector on them and scanning their IDs.

[83] Mr. Haile explained that his understanding of the coat-checking Condition is that the Licensee is required to check big, heavy jackets and coats that may be able to conceal a weapon, while casual, small jackets do not need to be checked. He further stated that some patrons might look naked after taking off a jacket.

[84] Mr. Haile presented a picture of one of the patrons who was at Arena 7 Lounge on June 21, 2025 (Exhibit 4, Tab 3) and was identified by Inspector Kulak as wearing a coat. Mr. Haile explained that the patron was not asked to remove his coat because he believes the clothing item is a casual jacket that is incapable of concealing weapons, and the patron went through a metal detector.

[85] Mr. Haile presented a second picture of one of the patrons who was at Arena 7 Lounge on June 21, 2025 (Exhibit 4, Tab 4) and was identified by Inspector Kulak as wearing a coat. Mr. Haile explained that the patron was not asked to remove his coat because he believes the clothing item is a normal, small jacket without any layers, and the patron went through a metal detector which would have detected a weapon.

[86] When Regulatory Services asked Mr. Haile to clarify when he became involved with Arena 7 Lounge as a manager, he explained that:

- he submitted his documents in April 2025;
- he had a meeting with Inspector Snodgrass and another inspector, and they went over operating procedures and the Conditions;
- when he was preparing for the hearing, he emailed Inspector Snodgrass who advised Mr. Haile that he was not an approved manager;
- he reached out to AGLC regarding the documents he previously submitted to become an approved manager, and they asked him to submit an additional document; and
- his status as an approved manager was confirmed approximately two weeks ago.

[87] When Regulatory Services asked what his position at Arena 7 Lounge was prior to becoming a manager, Mr. Haile said that he did not have a position and was only guiding Mr. E because he was restricted from being involved with the business.

[88] When Regulatory Services asked if Arena 7 Lounge was open for business on March 14, 2025 and the ID scanner was working, Mr. Haile confirmed that the licensed premises was open and the ID scanner was working but was not being used.

[89] When Regulatory Services asked if he has any records to show that the ID scanner was working on March 14, 2025, Mr. Haile said he does not have any records.

[90] When Regulatory Services asked Mr. Haile if the coat check and security checks occur at the front door of Arena 7 Lounge, Mr. Haile confirmed that was correct.

[91] When Regulatory Services asked why the issues with some of the cameras were not addressed earlier, Mr. Haile said that the Licensee thought the cameras were working properly. He further stated that Mr. E and Mr. Gebrehab were responsible for Arena 7 Lounge at that time.

[92] Regulatory Services read the following statement on the Licence aloud:

- It is a condition of this licence that the *Gaming, Liquor and Cannabis Act* and the Gaming, Liquor and Cannabis Regulation and all conditions prescribed by the Board be complied with at all times and any breach of the Act or Regulation or the conditions prescribed by the Board may result in suspension or cancellation of this licence.

When Regulatory Services asked Mr. Haile where it states on the Licence that the Licensee is exempt from following the Conditions when friends and family are in Arena 7 Lounge, Mr. Haile said that he was not in charge at that time, what happened was wrong, and the Conditions were not following on March 14, 2025 during the EPS operating check.

[93] When Regulatory Services asked Mr. Haile to explain why the Conditions have not been followed, he said that there was a misunderstanding with regard to submitting video surveillance footage to Inspector Kulak, and it would not happen again.

[94] When Regulatory Services asked where the footage is, Mr. Haile said that he does not have it with him because he was not told to bring it.

[95] When Regulatory Services asked if he is responsible for training staff, Mr. Haile stated that:

- training staff is one of his responsibilities;
- he trains staff on how to operate the video surveillance system; and
- he is responsible for ensuring staff follow the Conditions, but the Licensee has not always done that.

[96] When Regulatory Services asked Mr. Haile if he has anything to demonstrate that he has provided training to his staff, Mr. Haile said that he held a meeting in August 2025 after the licensed premises was shut down. He further stated that he planned to set up a staff training seminar with Regulatory Services.

[97] When Regulatory Services asked if it would be prudent for a manager or a staff member to follow the directions of an AGLC inspector, Mr. Haile agreed that was correct, and any manager or person on duty must comply with the Conditions and rules. He further stated that the inspectors deal with the Licensee in a positive and constructive way to resolve any issues with the rules, but there is always a problem with the coat-checking Condition.

[98] When Regulatory Services asked Mr. Haile if he understands that there are no exemptions for fashion statements, he said that it is not about fashion, the jackets that were not checked were casual jackets and not coats, and the Licensee needs clarification on this Condition.

[99] When Regulatory Services asked if Inspector Kulak did not provide enough clarification on the coat-checking Condition when he indicated that the two patrons should have had their coats checked, Mr. Haile said that the Licensee understands Inspector Kulak's perspective and will abide by the Conditions. He further stated that he has been trying to explain that the Licensee has struggled with understanding what is classified as a jacket.

[100] When Regulatory Services asked Mr. Haile if patrons have issues with providing their ID or having their purses or bags checked, Mr. Haile responded no.

[101] When the Panel asked Mr. Haile if it occurred to him to check his sent message folder to ensure the email was sent to Inspector Kulak given the importance of the message, Mr. Haile said that he thought he replied to Inspector Kulak, and because Inspector Kulak did not reply, it was Mr. Haile's belief that Inspector Kulak no longer needed the video surveillance footage.

[102] When the Panel asked Mr. Haile to explain what was said during his phone call with Inspector Kulak, Mr. Haile said that:

- he told Inspector Kulak that he would prepare the footage for him;
- he called Inspector Kulak to advise that the footage was ready, but the inspector did not answer the phone;
- he replied by email to advise Inspector Kulak that the footage was ready; and
- when he was preparing for the hearing, he discovered that he did not select reply all and had only sent the email to Mr. E.

[103] When the Panel asked Mr. Haile to clarify what his role with Arena 7 Lounge was before he became a 50% shareholder of M.A.R Ltd., Mr. Haile explained that he was guiding Mr. E and Mr. Gebrehab on how to operate the licensed premises because he has experience in the industry.

V. Summation

Regulatory Services

[104] Regulatory Services submits that the matter before the Panel is two separate incidents of failing to follow Board-imposed Conditions.

[105] On March 14, 2025, EPS reported to AGLC that IDs were not being scanned at Arena 7 Lounge as required by the Conditions. A subsequent review of video surveillance footage showed that the coat check was not being operated and footage was missing for several patron areas, including the back door, which was clearly being used by patrons. The footage that was provided to Regulatory Services was also missing information, which is a violation of the fourth Condition. Despite multiple requests, Regulatory Services was not provided with all the requested footage.

[106] Although the Licensee upgraded and changed their camera system, Regulatory Services has not received anything demonstrating that the issues have been fixed.

[107] Further violations of the Conditions were discovered during the PSCT operating check that occurred on June 21, 2025. Despite having someone identify the issues and provide the staff with an opportunity to address the issues, it was found that patrons' coats were not being checked. Additionally, Regulatory Services did not receive the video surveillance footage they requested from the Licensee for this incident.

[108] Regulatory Services submits that the evidence provided by the AGLC inspectors and former EPS Constable McDonald is clear; these two incidents confirmed that multiple Board-imposed Conditions were contravened.

[109] Regulatory Services is extremely concerned at this point about the Licensee's lack of compliance. Given the fact that AGLC has gone through several disciplinary actions for the same Conditions violations, Regulatory Services submits that there may be no amount of disciplinary action that would convince the Licensee to comply.

[110] The Licensee provided a variety of excuses for both incidents, including that they did not think family and friends qualify as patrons. There is uncertainty as to whether the scanning system was working or simply off during the EPS visit on March 14, 2025. After arguing about what they think a coat is or is not, the Licensee has very graciously offered to do better next time.

[111] If the Licensee cannot follow Board-imposed Conditions, then they should not hold a liquor licence. AGLC and EPS have expended resources. The Licensee has been provided with education and opportunities in the hopes that they will comply, but they have not shown consistent compliance. Regulatory Services takes the position that they cannot continue to expend resources on a licensee that does not have any intention of complying.

[112] AGLC takes the issue of public safety very seriously. Albertans expect licensees to be responsible business owners and to operate their establishments in a safe and controlled manner. A liquor licence is a privilege, not a right. That privilege comes with certain responsibilities, including abiding by applicable legislation, policies and licence conditions. Regulatory Services is of the opinion that the Licensee is not taking this privilege or the direction of the AGLC Board seriously at this point. The licensed premises is not someone's living room; the fact that the Licensee insists on operating like it is a personal, non-public space indicates that they are not the least bit serious about upholding legislation and following the Conditions.

[113] Regulatory Services takes the position that the Conditions are reasonable and were imposed for public safety reasons. They are not onerous; they can be abided by. The Conditions may have been sometimes partly followed during some operating checks, but Regulatory Services asserts that they have never found the Licensee to be completely compliant.

[114] No matter how many incident reports are submitted or how many times the Licensee appears before a panel, the Licensee seems to think that they will be excused from following the Conditions. Regulatory Services asserts that the non-compliance is intentional, and the Licensee is unconcerned with the previous orders and decisions of the Board. Further, the Licensee does not seem to understand the gravity of the Board's previous orders and decisions or any of the previous education that had been

provided by AGLC inspectors and police. Regulatory Services asserts that the Licensee has presented to the Panel that they made a mistake and will fix things eventually. Regulatory Services implores the members of the Panel to understand that this is what the Licensee said the last time and the time before that.

[115] Regulatory Services submits that these two incidents may be the fifth and sixth violations of the Board-imposed Conditions, not including any cautions that Regulatory Services has previously issued as education. Mr. Haile is not new to this industry; he has previously been before a Panel, and he has been involved with this premises since at least February 2025. Although Mr. Haile was recently added as the approved manager, Regulatory Services has been in contact with him throughout these incidents and investigations. Regulatory Services does not accept that Mr. Haile is a novice struggling to control his staff.

[116] No due diligence has been exercised by Mr. Haile or any of the other shareholders of the Licensee. Other than some emails and invoices, Regulatory Services does not have anything showing any action taken to improve between the two incidents. Mr. Haile advised that he overhauled the video surveillance system at Arena 7 Lounge, but Regulatory Services has not seen it and does not know if it is functional.

[117] Regulatory Services asserts that fines, suspensions and education are not working. Any further education would be a waste of time, and there does not seem to be any deterrent or penalty that would cause the Licensee to comply.

[118] Regulatory Services submits that on a balance of probabilities, the Conditions were contravened on numerous occasions. If the Licensee was serious about compliance, they would have introduced rectifying measures after the first, second, third and fourth instances of violating the Conditions.

[119] Regulatory Services is very concerned about the Licensee's continued claim that they lack the ability to pull video surveillance footage. Surely the Licensee has had ample opportunity to learn their own systems and to enact any necessary repairs. Further, the Licensee had the ability to communicate with Regulatory Services if they experienced any issues with providing video surveillance footage. It is obvious that the coat check Condition has been selectively applied based on what the Licensee deems right and fashionable at the time.

[120] Regulatory Services strongly recommends that the Panel consider cancelling the Licence, as other disciplinary actions are not gaining compliance. Regulatory Services is not recommending further fines or suspensions since it is clear that this would lead to another hearing. If a sanction other than cancellation were to be considered, Regulatory Services submits that each sanction typically doubles with each repeat offence. As such, the Licensee would be ordered to pay:

- \$4,000 for each violation that occurred on March 14, 2025, for a total of \$24,000; and \$8,000 for each violation that occurred on June 21, 2025 for a total of \$56,000; or
- a 56-day suspension.

Arena 7 Lounge

[121] Mr. Allan respectfully disagrees with Regulatory Services and contends that dates are important in this matter. The March 14, 2025 incident occurred prior to a hearing before a Panel of the Board of AGLC held on April 4, 2025, where Mr. Haile and Ms. Hazelwood were present. At the hearing, Mr. Allan and Mr. Haile acknowledged the problems with the video surveillance system and the changes that were going to be made going forward. That hearing resulted in the Panel imposing fines. Mr. Allan disagrees with Regulatory Services' position that the Licensee does not learn from the sanctions they have received. Doubling the fines, known as the "jump" principle in criminal law, does not apply here because the March 14, 2025 incident occurred before the hearing on April 4, 2025 and the Panel's ensuing decision. Mr. Allan asserts that Regulatory Services can bring up the March 14, 2025 incident and ask that the Licensee be punished for it, but they cannot call it aggravating. Further, this incident is an old event that could have been brought up at the hearing on April 4, 2025.

[122] Mr. Haile did not come to this hearing and say that Mr. Gebrehab was allowed to have his friends and family at Arena 7 Lounge; as the current approved manager of Arena 7 Lounge, Mr. Haile acknowledged that there was a problem with Mr. Gebrehab's attitude that rules do not apply to friends and family entering the licensed premises, and Mr. Haile said that it would not happen again. Mr. Allan respectfully submits that a fine could be imposed for this incident, and it does not have to be double or quadruple the amount of the last fine.

[123] With respect to the missing video angles from the March 14, 2025 incident, it was brought to the Licensee's attention that the video surveillance system was insufficient and did not have a date stamp feature. Mr. Haile explained that one aspect of the equipment was interfering with another aspect. Mr. Allan submits that the video surveillance system has been changed, and Mr. Haile evidenced this through his testimony and by providing a copy of an invoice and messages with Inspector Snodgrass. Further, there is no evidence that this is all a fabrication as suggested by Ms. Hazelwood, and Inspector Snodgrass seems to appreciate that Mr. Haile acknowledged and dealt with the problem.

[124] The Licensee has been very responsive, particularly on the issue with the video surveillance system. Mr. Allan contends that this does not absolve the Licensee of their responsibilities, but it is not the worst event. Mr. Haile provided explanations, but not for the purpose of saying that the Licensee did nothing wrong; the purpose was to show the Panel that if they decide to impose a sanction, it should be reasonable given Mr. Haile's attitude and the changes that have been made. A panel of the Board of AGLC gave the Licensee a chance by imposing a fine after the April 2025 hearing, and Mr. Allan contends that he does not understand why Ms. Hazelwood said fines and suspensions have not worked. Mr. Allan submits that the circumstances allow for fines for what happened on March 14, 2025, but fines of \$4,000 or \$8,000 would be incredibly punitive for a struggling business. Mr. Allan asks the Panel to keep that in mind and to impose fines in the range of \$500 or \$1,000 for things that could have been raised at the last hearing.

[125] Mr. Allan takes the position that the June 21, 2025 incident is relevant since it occurred after a panel of the Board of AGLC last fined the Licensee. The Licensee is said to have allowed two people with coats into Arena 7 Lounge and failed to provide video surveillance footage to Regulatory Services. The fact that Mr. Haile did not send the video surveillance footage to Inspector Kulak and thought he did does not mean the Licensee should get off, but Mr. Haile provided some context. There was more than

one person on the email chain, and Mr. Haile hit reply instead of reply all and failed to respond to Inspector Kulak. Mr. Allan submits that if you look at the emails on June 26, 2025, Inspector Kulak asks for the video footage. On June 27, 2025, Inspector Kulak says the operating check conducted on June 21, 2025 is under review and may result in an incident report, and it does not seem like he followed up with Mr. Haile for the video surveillance footage. It could be inferred from Inspector Kulak's response that he received everything. Mr. Haile did not realize he had not sent the video surveillance footage, and he should have followed up with Inspector Kulak and asked if he received the email. Mr. Allan takes the position that Mr. Haile replying to the wrong person with the video surveillance footage is completely different from refusing to comply with the request for video surveillance footage. Mr. Allan contends that suspending or cancelling the Licence for this oversight would be extreme.

[126] Mr. Allan submits that since he has been involved with the Licensee, there have been some incidents that have resulted in fines. Mr. Allan takes the position that if Regulatory Services convinces the Panel to "jump," it can only be for the June 21, 2025 incident. The March 14, 2025 incident was already on the table before the hearing held on April 4, 2025. The Licensee does not want to receive a suspension and would prefer a fine that can be paid off over time.

[127] Mr. Allan submits that the Licensee is not attempting to create a false issue with respect to coats and jackets. The Licensee submitted a two-page message as evidence (Exhibit 4, Tab 2) showing that the issue has been raised with the City of Edmonton. Ms. Hazelwood repeatedly pointed out that the Conditions say "coat." Mr. Allan submits that they do not say "jacket," which is different from a coat. Inspector Snodgrass acknowledged that this issue has been discussed before, and she used the terms coat and jacket interchangeably. If someone enters Arena 7 Lounge, it seems the argument will be that if you have a cover over your shirt, then you are wearing a coat. Mr. Allan takes the position that that is wrong. When there is a lack of understanding of a word in a licence condition, the purpose of the condition should be looked at. The purpose behind the coat condition is about weapons. Ms. Hazelwood also said that the purpose of the coat condition to prevent drugs from being hidden. Mr. Allan submits that everyone can agree that a big winter coat or a puffy coat must be checked since their purpose is to deal with the elements. What was viewed in the video surveillance footage and pictures consisted of a single layer, they are something you would wear on top of a t-shirt, they were tight to the chest and they are not meant to protect against the elements. It was Mr. Haile's understanding that they did not need to ask these patrons to remove these items. Further, any weapon that someone attempted to conceal on their person would be picked up by the metal detectors.

[128] Mr. Allan takes the position that Regulatory Services seems to suggest that the coat and jacket issue is very clear. However, Mr. Haile does not find the issue to be clear and is struggling with it, and he is of the opinion that the two individuals pictured in Exhibit 4, Tabs 3 and 4 were wearing jackets. This is different from the admissions Mr. Haile has made on failing to obtain ID from patrons, and he invites the Panel to fine him on that with a reasonable amount.

[129] With respect to the jacket and coat issue, Mr. Allan urges the Panel to decide whether or not what they saw in the videos were jackets and coats and to keep in mind what all of the witnesses said and the different use of the two terms. The issue is not black and white, and it is definitely not the type of defiance that should lead to cancellation of the Licence. Mr. Allan asks the Panel to take this into account if they find there was a contravention and decide to fine the Licensee.

VI. Analysis

[130] The Panel carefully considered the oral and documentary evidence submitted by Regulatory Services and the Licensee in making its finding of fact.

[131] Mr. Allan submitted that a “jump” in fines would only be applicable to the June 21, 2025 incident because the March 14, 2025 incident happened prior to the hearing held on April 4, 2025. The Panel notes that this hearing deals with matters arising from Exhibits 1A and 1B, which are separate and apart from the hearing held on April 4, 2025.

[132] Mr. Haile conceded that on March 14, 2025, the Licensee:

- failed to use the ID scanning system to scan all patrons’ ID, as required by Condition #2(a); and
- failed to provide video surveillance footage with date stamps and failed to provide video surveillance footage for the back exit, as required by Condition #3 and Condition #4.

[133] The Panel accepts the admittance by the approved manager as evidence that the Licensee failed to comply with Board-imposed Condition #s 2(a), 3 and 4.

[134] Inspector Snodgrass presented video surveillance footage from March 14, 2025 to the Panel and pointed out numerous patrons who were wearing coats. She submitted that the Licensee was required to remove and store these coats in accordance with Condition #2(b). Mr. Allan, on behalf of the Licensee, contended that the patrons were wearing jackets and hoodies. Based on the video surveillance footage submitted by Regulatory Services, the Panel finds that the patrons were wearing coats that should have been removed and stored in accordance with Condition #2(b).

[135] As such, the Panel finds that the Licensee contravened section 91(1)(a) of the Act on March 14, 2025 by violating Condition #s 2(a), 2(b), 3 and 4.

[136] Inspector Kulak testified that during a PSCT check of Arena 7 Lounge on June 21, 2025, he observed two male patrons wearing coats that he thought should have been removed and stored in accordance with Condition #2(b). Inspector Kulak presented a photograph of the two patrons (Exhibit 1B, Tab 1, Attachment 1) to the Panel. The Licensee submitted two photographs of the same patrons (Exhibit 4, Tabs 3 and 4) and contended that the patrons were wearing casual jackets that did not need to be removed. The Panel finds that based on the photographs of the patrons provided by Regulatory Services and the Licensee, at least one patron was wearing a coat that may be able to conceal a weapon, which should have been removed and stored in accordance with Condition #2(b).

[137] Mr. Haile conceded that his email response to Inspector Kulak regarding the requested video surveillance footage was inadvertently sent to Mr. E. As such, the Panel finds that the Licensee violated Condition #4 by failing to provide video surveillance footage to AGLC upon request.

[138] As such, the Panel finds that the Licensee contravened section 91(1)(a) of the Act on June 21, 2025 by violating Condition #s 2(b) and 4.

[139] Operating a licensed premises is not a right; it is a privilege that comes with significant responsibilities, including the requirement to follow the Act, the Regulation, all relevant policies and any licence conditions without exception.

[140] AGLC is responsible for acting in the public interest and ensuring licensees operate in accordance with the law.

[141] Upon considering the submissions, the Panel did not hear strong evidence that the Licensee understands the importance of complying with the Conditions at all times. The Licensee has continued to show a lack of regard for the Conditions, and significant time and resources have been expended on this Licensee. The Panel is deeply concerned that the Licensee will continue to disregard the Conditions in the future, which creates significant public safety risks. The Panel finds that the only way to adequately address the ongoing public safety concerns is to cancel the Licence.

VII. Finding

[142] For the reasons stated above, the Panel finds that the Licensee contravened section 91(1)(a) of the Act by violating the Board-imposed Conditions on the Licence.

[143] In accordance with section 91(2)(d) of the Act, the Panel cancels the Licence effective immediately.

[144] AGLC will need to make a determination with respect to the disposition of the liquor, in accordance with section 95 of the Act.

Signed at Calgary, this 27th day of October, 2025

A handwritten signature in blue ink, appearing to read 'Tongjie Zhang', is written over a horizontal line.

Tongjie Zhang, Presiding Member, Hearing Panel