

**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

**Ruth Cafe & Restaurant Corp. (Applicant)
c/o Suntjens McKinnon LLP
Suite #120, 301 14 Street NW
Calgary, AB T2N 2A1**

DATE OF HEARING:	October 15, 2025
HEARING PANEL:	Patti Grier, Presiding Member Serena Donovan, Panel Member
APPLICANT / REPRESENTATIVE:	Vi-An Nguyen, Legal Counsel Ruth Kuflom, Director
REGULATORY SERVICES DIVISION:	Robin Carter, Hearing Officer
INTERPRETER	Hermon Hunter-Duvan, Languages in Motion

DECISION OF THE HEARING PANEL

In accordance with section 94(7)(a) of the Gaming, Liquor and Cannabis Act (the Act), the Panel confirms the refusal of the Applicant's liquor licence application for Hdmona Restaurant.

I. Jurisdiction and Preliminary Matters

[1] Ruth Cafe & Restaurant Corp. (the Applicant) requested a hearing before a Panel of the Board of the Alberta Gaming, Liquor and Cannabis Commission (AGLC) pursuant to section 94(2) of the Act with respect to a decision of the Regulatory Services Division (Regulatory Services) of AGLC to refuse the Applicant's liquor licence application for Hdmona Restaurant.

[2] In accordance with section 11 of the Act, Board Chair Len Rhodes designated two members of the Board to sit as a Panel to conduct the hearing and make a decision – Patti Grier (Presiding Member) and Tongjie Zhang.

[3] 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 September 4, 2025.

[4] The Applicant indicated on the Application for Hearing that an interpreter would be required at the hearing, and the Hearing Panel Office arranged for an interpreter.

[5] On October 10, 2025, Board Chair Spagnolo designated a third member of the Board, Serena Donovan, to sit with Presiding Member Grier and Panel Member Zhang to conduct the hearing and make a decision.

[6] On the day of the hearing, Panel Member Zhang advised Presiding Member Grier that he was unable to attend the hearing due to illness.

[7] The interpreter, Hermon Hunter-Duvan, attended the hearing in person. The parties confirmed that they were comfortable with Ms. Hunter-Duvan's presence and method of interpretation. Ms. Kuflom advised that she understands English and would request interpretation if required.

[8] The parties and the Hearing Panel were provided with a record containing various documents pertaining to the issues before the panel. The Applicant confirmed receipt of the Notice of Hearing dated September 4, 2025 and the attached hearing record. The following documents were entered into evidence:

- Exhibit 1 Hearing Record, including Tabs 1 to 5
- Exhibit 2 Documents submitted by the Applicant, including Tabs 1 to 4
- Exhibit 3 Video surveillance footage submitted by Regulatory Services, including videos 1 to 22
- Exhibit 4 Video surveillance footage guide submitted by Regulatory Services
- Exhibit 5 Video surveillance footage submitted by Regulatory Services

[9] Presiding Member Grier noted that Ms. Kuflom would be attending the hearing as a representative and a witness for the Applicant. Regulatory Services and the Panel did not object to Ms. Kuflom remaining in the hearing room for the entire hearing.

II. Issues

[10] Should the Panel confirm, replace or cancel the decision of Regulatory Services to refuse the Applicant's liquor licence application for Hdmona Restaurant?

III. Regulatory Services Submissions

[11] Regulatory Services stated that the matter before the Panel is not the validity of the information in the reports or the videos as the Applicant does not dispute the content of the report or the video evidence. However, it is important for the Panel to view the video from the night of the incident at Hdmona Restaurant. The matter for decision is whether or not the Applicant is fit to hold a liquor licence issued by AGLC.

[12] Regulatory Services called one witness: AGLC Inspections Supervisor Petrina Nash. Ms. Nash has been with AGLC for 25 years.

[13] The following is a summary of the evidence provided by Ms. Nash.

[14] As part of her duties, Ms. Nash works with the Public Safety Compliance Team (PSCT), which is a multi-agency task force that deals with violence in and around licensed premises.

[15] Ms. Nash authored the Request for Decision and attached Incident Report (Exhibit 1, Tab 2). She explained that Calgary Police Service (CPS) contacted AGLC after an assault took place at Hdmona Restaurant on the morning of February 17, 2025 (the February Incident).

[16] Ms. Nash advised that Hdmona Restaurant held a Class A Minors Allowed liquor licence (the Licence), and the primary focus was on food. The Licence enabled them to serve liquor from 9:00 a.m. until 2:00 a.m., with liquor consumption until 3:00 a.m. As a restaurant, Hdmona Restaurant had the ability to stay open 24 hours. Hdmona Restaurant holds or held a business licence with the City of Calgary.

[17] Ms. Nash said that Hdmona Restaurant could operate without a liquor licence and serve food only. Ms. Nash spoke with Ms. Kuflom, who said that she needs a liquor licence because patrons like to drink liquor and play cards in the premises. Ms. Nash does not believe that Hdmona Restaurant is currently operating, and inspectors have conducted checks and not found it to be open.

[18] Ms. Nash said that given that Hdmona Restaurant is a food primary establishment, it is odd that it is not operating under its City of Calgary business licence. She further stated that this indicates that Hdmona Restaurant operates more as a bar than a restaurant.

[19] Ms. Nash said that she and AGLC Inspector Mitchell Gallant met with Ms. Kuflom on March 6, 2025 to discuss the February Incident. Ms. Nash stated that Ms. Kuflom said that:

- she had reviewed the video surveillance footage;
- her employee, (Ms. A), went to the restaurant with a friend to listen to music at 3:00 a.m.;
- Ms. A and her friend failed to lock the door, and a male patron walked into the restaurant;
- nine patrons attended the restaurant after hours, and liquor service took place but she did not know who provided the liquor service; and
- her staff member did not call an ambulance or the police because she believed the assault victim was incapacitated due to intoxication.

[20] Ms. Nash advised that in December 2024, the CPS was receiving an increase in calls for service to Eritrean and Ethiopian licensed premises in Calgary. The CPS started an operation with AGLC called After Hours, which included going to licensed premises with Eritrean or Ethiopian owners and educating them about after-hours operations, ensuring that they understood that they cannot serve liquor outside of the hours stated on their licences, ensuring that they were providing proper supervision inside their establishments, and conducting after-hours checks. Ms. Nash said that they also held a town hall with

the business association of the Eritrean community. There was a lot of anger in the community at that time about some after-hours incidents in addition to the February Incident, and they believed that CPS and AGLC should be stepping in more, regulating the activities and communicating expectations to bar owners. The town hall was also an opportunity to educate parents on the liquor laws in Alberta.

[21] In addition to the town hall, Ms. Nash said that they held education seminars with bar owners from the Eritrean community, and Ms. Kuflom was at one of those seminars. The senior members of the Eritrean community are not supportive of businesses operating after hours.

[22] Ms. Nash presented Exhibit 5 and certain video files that comprised Exhibit 3 to the Panel. Ms. Nash provided an overview of the events that took place inside Hdmona Restaurant during the morning of February 17, 2025, which are also detailed in Exhibit 4:

Exhibit 3, Video 1:

- Ms. A and another female identified as (Ms. D), enter the premises at 3:06 a.m. Ms. D locks the front door, returns to the front door at 3:07 a.m., unlocks the door and lets two males inside the premises.
- Ms. D walks away from the front door, turns around and returns to the front door, unlocks it, lets another male inside and locks the front door.
- At 3:09 a.m., a male inside Hdmona Restaurant walks to the front door and Ms. D is observed unlocking the door and letting the male exit the premises.
- At 3:10 a.m., four males enter the premises through the front door. Ms. D hugs them and shakes their hands.

Exhibit 3, Video 2:

- At 3:12 a.m., three males and two females enter the premises through the front door, and Ms. D locks the front door after they enter.

Exhibit 3, Video 3:

- At 3:15 a.m., Ms. D walks to the front door, unlocks the door and allows two females and two males into the premises. Ms. A and Ms. D appear to be receiving periodic messages on their phones, which results in Ms. D going to the front door and unlocking it.

Exhibit 3, Video 5:

- At 3:23 a.m., Ms. A goes behind the service bar and retrieves two dark-coloured bottles of beer from the fridge below the service bar, removes the bottle caps and passes the two bottles to male patrons who are seated at the service bar. Ms. A also provides the patrons a solo cup.
- At 3:24 a.m., Ms. D exits the kitchen area carrying a shisha pipe, which she provides to a group of seated patrons.
- At 3:25 a.m., a male patron goes to the front door but is unable to exit as the door is locked.
- At 3:26 a.m., Ms. D walks to the front door, lets the male patron out of the premises and locks the front door.

Exhibit 3, Video 9:

- At 3:52 a.m., Ms. A walks to the front door and lets three males into the premises.

- At 3:53 a.m., a dark-coloured beer bottle is seen on top of the service bar and numerous red solo cups are seen on the tabletops.
- At 3:54 a.m., Ms. D brings a plate of food from the kitchen area and serves it to two males.

Exhibit 3, Video 11:

- At 5:48 a.m., Ms. A is behind the service bar opening bottles of beer. Three males are seated at a table, and one of the males is smoking shisha. A liquor bottle in an ice bucket appears to be on the table, along with three cans and four solo cups. An individual identified as (Mr. R) is seen working behind the service bar, cleaning the counter and getting shisha pipes for patrons.

Exhibit 3, Video 12:

- At 6:20 a.m., Ms. D is working behind the service bar. Ms. A is also behind the service bar and is seen smoking shisha and dancing.
- At 6:22 a.m., four male patrons are seen at a table. Two of the males are seated and two are standing up. One of the males who is standing up (Subject 1) is seen leaning over one of the seated males (Victim 1) in an aggressive manner. The other male standing at the table is seen trying to get the attention of the staff member by using his hand to motion her over to the area. Ms. D walks over to the table, briefly speaks to the patrons and walks away.
- Subject 1 continues to lean over Victim 1. Victim 1 tries to stand up which results in Subject 1 punching Victim 1 in the face. Victim 1 falls to the ground. Subject 1 then starts punching the other male patron (Victim 2) who was seated at the table. A couple of male patrons come over to the area and attempt to diffuse the situation by pulling Subject 1 away from Victims 1 and 2.
- Subject 1 picks up a chair and wields it behind his head like a weapon.
- Ms. A is seen behind the service bar, which is close to where the fight occurred. Ms. A looks in the direction of where the fight occurred while dancing and smoking shisha.
- Ms. D is seen clearing solo cups from the tables where the fight occurred.
- Ms. D is seen putting her arm up in front of Subject 1 and appears to be talking to him.
- Seven male patrons are seen in front of the service bar. Some of these patrons are trying to diffuse the situation, and Subject 1 and Victim 1 are still pushing and acting aggressively.
- The fight continues in front of the service bar, and stools are knocked over.
- Ms. D is pushed out of the way by a couple of the male patrons. Ms. D stands next to the service bar and observes the male patrons fighting.
- At 6:23 a.m., Subject 1 is seen fighting with approximately five male patrons. Three of those patrons fall to the ground, and they are lifted up by other male patrons.
- Ms. A comes from the service bar, picks up a chair and moves a table out of the way as the fight continues.
- Ms. D stands beside the service bar and observes the fight.

Exhibit 3, Video 13:

- At 6:25 a.m., the fight ends. Subject 1 and four other males head in the direction of the front door.
- Ms. A is observed cleaning up overturned furniture.

- Ms. A returns to the service bar, removes a bottle of liquor from the fridge beneath the service bar and pours two shots which she leaves on the lower counter of the service bar.
- Approximately 30 seconds later, Victim 1 and three other males head towards the front door.

Exhibit 3, Video 14:

- Victim 1 enters the vestibule area by the front door but is pulled back inside the premises as Subject 1 is still in the vestibule area. The front door appears to be locked, and no one is able to exit the premises.
- Ms. A returns to the service bar and consumes one of the shots she previously poured.
- Subject 1 re-enters the premises from the vestibule area and strikes Victim 1 in the face with his fist.
- Subject 1 picks up a chair and wields it behind his head. Subject 1 puts the chair down and pushes another male patron who appears to be trying to diffuse the situation.
- An individual identified as (Mr. R) approaches Subject 1 and is seen talking to him. Mr. R opens the vestibule door and speaks to the male patrons who are standing in that area.
- Ms. D approaches the area and picks up the chair that was dropped by Subject 1.
- Subject 1 leaves the front door area and returns to the service bar area. Subject 1 is walking in an unsteady manner.
- Subject 1 returns to the vestibule area and initiates another fight with males standing in the vestibule.
- Ms. A and Ms. D are near the vestibule observing the fight.
- Subject 1 is pushed out of the vestibule and lands on the floor on his back.
- Subject 1 stands up and picks up a chair, which he puts behind his head and wields as a weapon.
- A male patron (Victim 3) and Ms. A talk to Subject 1. Victim 3 puts his hands on the chair held by Subject 1. Victim 3 speaks to Subject 1 and appears to be trying to get him to put down the chair.
- At 6:28 a.m., Victim 1 runs up behind Victim 3 and smashes him on the side of the head with a beer bottle. Victim 3 immediately drops to the ground and remains there.
- Subject 1 lunges at Victim 1, and another fight starts in the vestibule area.
- Ms. A leans over Victim 3 briefly and then engages in conversation with other male patrons standing in the area.

Exhibit 3, Video 16:

- Victim 3 is pulled off the ground by a male patron and taken to the service bar area. Victim 3 is slumped over and cannot walk without the assistance of the other male patron.
- Victim 3 is placed on a bar stool at the service bar. Victim 3 immediately falls from the stool onto the floor where he is observed lying motionless. Victim 3 is pulled back up by two male patrons and is positioned back on two bar stools that have been pushed together. Victim 3 is slumped over the service bar and exhibits signs that he is unwell. Victim 3 showed no signs of any impairment prior to being hit on the head; he was walking properly and conversing with others.

- At 6:30 a.m., another fight starts near the vestibule area involving Subject 1.
Exhibit 5:
- Ms. A talks to Subject 1. Ms. A places her hands on Subject 1's arms, and Subject 1 pushes her away. Ms. A and Subject 1 walk into the kitchen area and converse.
- At 6:32 a.m., Ms. A returns to the service bar and is handed two beer bottles and three solo cups, which she disposes of behind the service bar.
- At 6:35 a.m., Ms. A consumes the second shot of liquor that she previously poured.
- Victim 3 is taken into the bathroom by a male patron. Victim 3 cannot walk by himself and is significantly slumped over as he is helped into the bathroom.
- At 6:47 a.m., two male patrons drag Victim 3 from the bathroom area by his arms while he is on the floor.
- Victim 3 is dragged beside the service bar and left lying on the floor.
- At 6:51 a.m., Mr. R sweeps the floors around where Victim 3 is lying.
- Ms. D socialized with a group of three males in the vicinity of the service bar.
Exhibit 3, Video 19:
- Ms. A and a male patron attempt to lift Victim 3 off the ground, but they are unsuccessful and place him back on the floor.
- At 7:03 a.m., Mr. R is seated at a table socializing with two male patrons. Ms. D mops the floor around where Victim 3 is lying.
- At 7:05 a.m., Ms. A walks over to Victim 3, bends down and makes a phone call.
- Exhibit 3, Video 20:
- At 7:07 a.m., two male patrons and Ms. A lift up Victim 3 and move him closer to the front door. Victim 3 is completely slumped over and cannot walk. Victim 3 falls, and Mr. R walks towards the group and helps lift Victim 3 back up. Ms. A and Mr. R attempt to get Victim 3's jacket on.
- At 7:10 a.m., Victim 3 is escorted out of the premises by Ms. A, Mr. R and two male patrons.

[23] While providing an overview of the events observed on the video surveillance footage, Ms. Nash made the following statements:

- In between letting people in, Ms. A and Ms. D locked the door so AGLC would not be able to enter Hdmona Restaurant if they visited.
- Hdmona Restaurant had a key lock on the inside of the door, which is a safety code violation.
- It is not normal for a licensed premises to lock patrons inside.
- Ms. A's and Ms. D's actions, including organizing chairs and doing things behind the bar, are associated with the opening of a bar for business.
- Ms. Kufлом advised that Mr. R and Ms. D, who are not ProServe certified nor employees of Hdmona Restaurant, help out at the licensed premises occasionally.
- Ms. Nash told Ms. Kufлом that Mr. R and Ms. D were not permitted by AGLC to help out at Hdmona Restaurant, and Ms. Kufлом said she was aware of that.
- Up to 19 people were observed in the licensed premises throughout the video surveillance footage, and there appears to be some sort of communication system for notifying Ms. A or Ms. D when patrons arrive.

- After she attended Hdmona Restaurant, Ms. Nash took pictures of the door lock and sent it to the Calgary Fire Department who may be laying charges.
- While reviewing the video surveillance footage, Ms. Nash noticed that everyone seemed very relaxed about what was going on.
- The after-hours attendees appeared to have a system in place that is typical for other licensed premises who hold after-hours events, including locking their doors, blacking out windows, and making a concerted effort to be covert about what is going on inside.
- There appeared to be a bottle of liquor in a bucket, and AGLC only permits bottle service subject to rules including the use of a locking bottle cap and not allowing patrons to self-serve.

[24] With respect to public safety, Ms. Nash explained that a licensee is responsible for ensuring that the public and patrons are protected when they are in the licensed premises. They are guided to phone police who are trained to de-escalate a situation when there are fights or violence.

[25] Ms. Nash stated that Ms. A should have protected the patrons by phoning the police during the February Incident. She further stated that she believes that neither Ms. A nor anyone else called the police because that would have established that Hdmona Restaurant was operating after hours.

[26] When Ms. Nguyen, legal counsel for the Applicant, asked Ms. Nash to confirm that she did not attend Hdmona Restaurant on February 17, 2025, Ms. Nash confirmed that was correct.

[27] When Ms. Nguyen asked Ms. Nash if her report was based on information she received from CPS, Ms. Nash said it was based on her conversations with Ms. Kufлом and the CPS, and the observations she made from watching the video surveillance footage that was provided by Ms. Kufлом.

[28] When Ms. Nguyen asked Ms. Nash if she personally interviewed the staff member or any of the patrons who attended Hdmona Restaurant during the morning of February 17, 2025, Ms. Nash confirmed that she did not.

[29] When Ms. Nguyen asked Ms. Nash if the narration she provided during the overview of the video surveillance footage was based on her observations and opinion, Ms. Nash confirmed that was correct.

[30] When Ms. Nguyen asked Ms. Nash if her conclusions were based on her visual observations and what Ms. Kufлом stated when they met, Ms. Nash confirmed that was correct.

[31] When Ms. Nguyen asked Ms. Nash how she was able to identify Ms. A, Ms. D and Mr. R, Ms. Nash said that Ms. Kufлом told her who they are.

[32] When Ms. Nguyen asked Ms. Nash if it is possible she confused who Ms. A and Ms. D were in the video surveillance footage, Ms. Nash said that she took the information from Ms. Kufлом when they met in March 2024, and it is possible she misinterpreted who was who.

[33] When Ms. Nguyen asked Ms. Nash if she found any evidence of prior contraventions at Hdmona Restaurant before the February Incident, Ms. Nash said that she did not but CPS received information

that Hdmona Restaurant was operating after hours and identified it as one of the premises to visit as part of their After Hours operation.

[34] When Ms. Nguyen asked Ms. Nash if she knows how many restaurants are owned by Eritrean and Ethiopian business owners, Ms. Nash said that they focused on 15 – 17 licensed premises that had prior complaints or infractions, but she did not know the total number of businesses owned by Eritrean and Ethiopian business owners.

[35] When Ms. Nguyen asked Ms. Nash if Ms. Kuflom attend the meeting on March 6, 2025 voluntarily, Ms. Nash said that was correct and that Ms. Kuflom readily provided the video surveillance footage.

[36] When Ms. Nguyen asked if Ms. Kuflom was at Hdmona Restaurant during the February Incident, Ms. Nash said that she did not appear to be there, nor did she personally reopen the restaurant and/or serve liquor.

[37] When Ms. Nguyen asked Ms. Nash if her report alleges any dishonesty by Ms. Kuflom in her dealings with AGLC, Ms. Nash said that it does not, and there is no indication that she attempted to conceal or destroy any evidence in connection with the February Incident. Ms. Nash further stated that she does not have evidence of it, but she believes Ms. Kuflom must have had some knowledge that Hdmona Restaurant was operating after hours given that she has access to her own video surveillance system and must know when a large quantity of liquor has been served.

[38] When Ms. Nguyen asked Ms. Nash if it was fair to say that Ms. Kuflom was not aware of the February Incident until she was notified by CPS, Ms. Nash said that that was what Ms. Kuflom told her. She further confirmed that it appeared that Ms. A and Ms. D reopened the restaurant after it had been closed.

[39] Ms. Nguyen noted that Ms. Nash made observations that there was not much food being served during the after-hours event on February 17, 2025. When Ms. Nguyen asked if it was fair to say that no food was served because they were operating after hours, Ms. Nash said that restaurants always serve food when they are open. She confirmed that she did not see what occurred in the restaurant prior to 3:00 a.m. and agreed that most restaurants would have kitchen staff if they were open.

[40] When Ms. Nguyen asked Ms. Nash if the licence application was denied because of one event that occurred on February 17, 2025, Ms. Nash said that it was denied due to a staff member's negligence which resulted in someone's death.

[41] When Ms. Nguyen asked Ms. Nash if it was only her opinion that Ms. Kuflom should have been aware of what was happening at her restaurant, Ms. Nash said that Ms. Kuflom was the licensee, employees work for the licensee, and she is responsible for any after-hours activities that occur in the premises. She further stated that there appears to be a lack of supervision given the amount of liquor and shisha consumption.

[42] When Ms. Nguyen asked Ms. Nash to confirm that she has no evidence of any other after-hours activities at Hdmona Restaurant, Ms. Nash confirmed that was correct.

[43] When the Panel asked for the date that Hdmona Restaurant was initially opened, Mr. Carter confirmed that it was opened on March 13, 2012.

[44] When the Panel asked Ms. Nash if there was any money exchanged during the after-hours event, Ms. Nash said that she is unaware of how things were transacted.

[45] When the Panel asked if there are any circumstances where a licensed premises could be used for personal reasons after hours, Ms. Nash responded no.

[46] When the Panel asked if Regulatory Services conducted any staff training at Hdmona Restaurant, Ms. Nash explained that Ms. Kufom came to a training seminar for licensees, but Regulatory Services has not conducted a staff training seminar for her staff.

[47] When the Panel asked if the Calgary Fire Department laying charges against Hdmona Restaurant has any impact on the restaurant's business licence, Ms. Nash said that the City of Calgary could convene a hearing if they feel that the charges are serious enough that the business owner should not hold a licence or should have conditions imposed on the licence.

[48] Ms. Nash explained the difference between minors allowed and minors prohibited liquor licences:

- Minors allowed liquor licences are for restaurants where food is primarily served and you see people seated throughout the entire premises. Restaurants can operate 24 hours a day but can only serve liquor between 9:00 a.m. and 2:00 a.m. and permit liquor consumption until 3:00 a.m.
- Minors prohibited liquor licences are for lounges, bars and nightclubs where food may be served, but you would not typically see a lot of people eating. These establishments are allowed to operate between 9:00 a.m. and 3:00 a.m. with liquor service ceasing at 2:00 a.m. She further stated that when reviewing the video surveillance footage, Hdmona Restaurant looked like a nightclub at times but it has seating.

[49] Ms. Nash advised that staff training seminars are regularly offered to licensees during routine inspections, and to her knowledge, Ms. Kufom never requested a training seminar for her staff.

[50] When Ms. Nguyen asked Ms. Nash if Ms. Kufom took steps to meet with her, Ms. Nash confirmed that she did and that she was one of the licensees who attended the education seminar.

[51] When Ms. Nguyen asked Ms. Nash if it is fair to say Ms. Kufom has taken this matter seriously based on the steps she has taken so far, Ms. Nash responded yes.

[52] When Ms. Nguyen asked Ms. Nash if Regulatory Services observed Hdmona Restaurant operating after hours between the February Incident and the expiration of the Licence, Ms. Nash confirmed that they were not observed to be operating after hours.

IV. Ruth Cafe & Restaurant Corp. Submissions

[53] Legal Counsel for the Applicant, Vi-An Nguyen, stated that this matter arises from the unfortunate February Incident. AGLC has refused to issue a new liquor licence to Ms. Kuflom on the basis that one of her employees contravened the Act and the Regulation. The evidence will show that Hdmona Restaurant had been lawfully and responsibly operating for over ten years without any serious compliance issues. The restaurant closed by 2:00 a.m. on February 17, 2025, and all three employees left the premises after closing. One staff member returned without authorization, reopened the restaurant and invited friends inside. This conduct was done entirely on her own against explicit rules and training. Later that night, a fight occurred among her guests which lead to a tragic consequence. Ms. Kuflom has always required staff to be ProServe certified and trained them on AGLC rules that made clear that staff had no authority to serve alcohol after hours or reopen the premises after it was closed. Immediately upon learning of the staff member's misconduct, Ms. Kuflom terminated her employment, retrained all staff and changed procedures so that no employee could close the restaurant without an owner or manager present. The evidence will also show strong support from the Community that this restaurant serves. Three letters of support (Exhibit 2, Tabs 2 to 4) have been provided to the Panel emphasizing Hdmona Restaurant's long standing and positive presence in Calgary. The issue for this Panel is whether one employee's unauthorized misconduct against training and express instructions should be imputed to the Applicant so as to justify the permanent refusal of her licence renewal. The Applicant's position is obviously no; Ms. Kuflom has acted with honesty, integrity and responsibility both before and after this incident. Denying the renewal would not be fair or proportionate. At the conclusion of this hearing, the Applicant will be asking you to allow the Licence to be renewed, subject to any conditions the Panel considers appropriate. The Panel will also hear that Ms. Kuflom has implemented her own conditions.

[54] Ms. Nguyen called three witnesses:

- Ruth Kuflom, Director of Ruth Cafe & Restaurant Corp.
- (Ms. K), former employee of Hdmona Restaurant
- (Ms. W), former employee of Hdmona Restaurant

[55] The following is a summary of the evidence provided by Ms. Kuflom, Ms. K and Ms. W

Ms. Kuflom

[56] Ms. Kuflom said that Ms. Nash mixed up Ms. D and Ms. A in the video surveillance footage. She further stated that she did not know Ms. D at the time of the February Incident, and Mr. R was a friend or cousin of Ms. A and not an employee of Hdmona Restaurant.

[57] Ms. Kuflom advised that she has owned Hdmona Restaurant for almost thirteen years. It was an Eritrean restaurant that primarily served east African food to the community. Her responsibilities at the restaurant included taking care of customers and training staff to serve and take care of customers. She had two to three employees working at the restaurant. Ms. Kuflom stated that she normally closed Hdmona Restaurant, Ms. W typically opened the restaurant. Ms. Kuflom owns another restaurant in downtown Calgary called Ruth Cafe & Restaurant.

[58] Prior to the February Incident, Ms. Kuflom said that:

- she had no disciplinary issues or compliance problems with AGLC; and
- Hdmona Restaurant closed at 11:30 p.m. or midnight from Monday to Thursday; and
- on Friday, Saturday and Sunday, Hdmona Restaurant had last call at 2:00 a.m., settled bills and asked patrons to leave by 2:30 a.m., and the staff left by 3:00 a.m.

[59] Ms. Kuflom advised that all her employees, including herself, had ProServe certification. She expected staff to go home after 3:00 a.m., and they were never permitted to return to Hdmona Restaurant or serve liquor after they left. Ms. Kuflom has two keys to her restaurant. Before the February Incident, one was in Ms. W's possession and the other one remained with Ms. Kuflom unless she had to give it to Ms. K to close the restaurant. Currently, Ms. Kuflom has both keys to the restaurant.

[60] On February 16 and 17, 2025, Ms. Kuflom advised that she was with her daughter in the ICU unit of the children's hospital, so she gave Ms. K a key to the restaurant and asked Ms. A to help Ms. K close Hdmona Restaurant. Ms. Kuflom said that Ms. A had only been working at Hdmona Restaurant for a couple of weeks, but she trained Ms. A well, Ms. A was experienced, and Ms. Kuflom had known Ms. A for two or three years and felt she could trust her. Ms. Kuflom told Ms. A that staff must leave the premises by 3:00 a.m. and return the following day to clean the restaurant. She further stated that she did not give anyone authorization to reopen the restaurant on February 17, 2025.

[61] Ms. Kuflom stated that she has never had issues with staff failing to comply with closing procedures in the past.

[62] Regarding the February Incident, Ms. Kuflom stated that:

- a detective contacted her sometime between 10:00 a.m. and 11:00 a.m. on February 17, 2025 and told her that there was a fight in Hdmona Restaurant;
- the detective asked if she reviewed the video surveillance footage;
- she reviewed the footage and saw Ms. A reopen the restaurant and the fight;
- she met with the detective and provided the footage to him;
- Ms. A should have called CPS and an ambulance; and
- she fired Ms. A and retrained Ms. W and Ms. K to call 911 if a fight occurs.

[63] Ms. Kuflom explained that she does not serve liquor to patrons who appear intoxicated; instead, she gives them water and ensures they get a taxi or a ride with a friend.

[64] Ms. Kuflom advised that after the February Incident:

- she changed the video surveillance system so that she would receive an alert if someone operates after hours;
- she reopened the restaurant, but after her liquor licence application was denied, customers did not come back once they knew they could not order liquor;
- she closed Hdmona Restaurant after one month because there were not enough customers to pay her employees' wages;
- she plans to sell Ruth Cafe & Restaurant and focus on Hdmona Restaurant which had long-standing customers;

- Ruth Cafe & Restaurant is not making enough money, and it is hard to attract new customers; and
- no one is currently employed at Hdmona Restaurant.

[65] Ms. Kuflom said that Hdmona Restaurant was a family restaurant and not a nightclub. Customers from the community sat and ate together, and she wishes they had a chance to attend the hearing and speak to what kind of establishment it was.

[66] Ms. Kuflom referred to the support letters (Exhibit 2, Tabs 2 to 4) from three members of the Eritrean and Ethiopian communities who were long-standing customers of Hdmona Restaurant. She noted that one of the letter writers was the president of the Eritrean community.

[67] With regard to her commitment to compliance and integrity, Ms. Kuflom advised that she will need to train her staff again on being responsible, opening and closing procedures, and how to deal with intoxicated patrons.

[68] Ms. Kuflom said that she cannot trust an employee to hold a key unless she knows them for more than six months.

[69] Ms. Kuflom proposed implementing some conditions if her liquor licence were to be reinstated. She referred to a document she prepared and advised that she would:

- train her employees;
- monitor customers;
- ensure IDs are checked, which she always does;
- begin closing Hdmona Restaurant by 1:45 a.m. and ensure it is closed by 2:30 a.m.; and
- prepare food in a safe manner.

[70] Ms. Nguyen asked the Panel members and Regulatory Services if they wished to review the document that Ms. Kuflom prepared, which she would use as her training manual and incident logbook at Hdmona Restaurant if the Licence were to be reinstated. Presiding Member Grier asked Mr. Carter if he would like to review the document first before the Panel considers entering it as an exhibit. Mr. Carter said he was fine with accepting it and noted that most of the items were regular requirements of licensees. Presiding Member Grier suggested taking a five-minute recess and asked Panel Member Donovan if she was ok with the document being entered as an exhibit. Panel Member Donovan did not object. Ms. Nguyen provided copies of the document to the Panel and to Mr. Carter, and she noted that Ms. Kuflom would strictly implement everything on the list and keep it on site for AGLC or CPS to review. Presiding Member Grier entered the document as Exhibit 6.

[71] Ms. Kuflom said that she is a single mother and needs to resume her business. She further stated that as a human, she is responsible.

[72] When Regulatory Services asked Ms. Kuflom if she is the sole shareholder of the business, she advised that her husband was a shareholder before they divorced.

[73] When Regulatory Services asked Ms. Kuflom how often she conducted staff training, she said that she trained staff for five or six days on serving, cleaning, closing hours, last call and requesting ID.

[74] When Regulatory Services asked Ms. Kuflom how often she was at Hdmona Restaurant before the February Incident, she said that she would go to Hdmona Restaurant to close it after closing Ruth Cafe & Restaurant at around 7:00 p.m.

[75] When Regulatory Services asked Ms. Kuflom how she communicated with staff when she not physically at Hdmona Restaurant, she said that she spoke to them in person or called them on the phone.

[76] When Regulatory Services asked Ms. Kuflom if she gave a key to Ms. A, Ms. Kuflom explained that she did not give Ms. A a key to Hdmona Restaurant. Ms. K had the key on February 16, 2025, but she had something to do the following day and gave it to Ms. A so she could return to the restaurant on February 17, 2025 and clean it. She further stated that she and the waitresses normally cleaned the restaurant, as the cleaning person who used to come in at 7:00 a.m. or 8:00 a.m. ceased working there.

[77] When Regulatory Services asked Ms. Kuflom how she split her time between her two restaurants prior to the February Incident, she stated that:

- she has an employee who opens Ruth Cafe & Restaurant at 10:00 a.m.; and
- she would arrive at the new restaurant between 1:00 p.m. and 3:00 p.m. and leave at around 7:00 p.m.

[78] When Regulatory Services asked Ms. Kuflom who in charge of Hdmona Restaurant when she was not there, she said that Ms. K was in charge. She further stated she closed the restaurant most of the time, and occasionally Ms. K or Ms. W would close the restaurant.

[79] When Regulatory Services asked Ms. Kuflom how long her video surveillance system retains footage for, she said one month.

[80] When Regulatory Services asked Ms. Kuflom how often she reviewed the video footage before the February Incident, Ms. Kuflom said she did not check the footage because she was there most of the time.

[81] When Regulatory Services asked Ms. Kuflom how often Hdmona Restaurant operated after 3:00 a.m. prior to the February Incident, she said it was never open after 3:00 a.m.

[82] When Regulatory Services asked Ms. Kuflom how she would know that it was never open after 3:00 a.m. if she never reviewed the video footage, Ms. Kuflom said that the keys were always with her and Ms. W.

[83] When Regulatory Services asked Ms. Kuflom how often Ms. A had the key prior to the February Incident, she said that:

- over the two-week period that Ms. A was employed at Hdmona Restaurant, she asked Ms. K to clean the restaurant for four or five days; and
- during that time, Ms. W closed the restaurant.

[84] When Regulatory Services asked Ms. Kuflom to explain how so many people knew to come to Hdmona Restaurant after 3:00 a.m. on February 17, 2025, Ms. Kuflom said that Ms. A told her that all of

patrons who attended Hdmona Restaurant were gathered in one place beforehand and told each other where to meet there. She further stated that if Ms. A was charging them, there would be proof of payment.

[85] When Regulatory Services asked Ms. Kuflom if she was aware of the after-hours issues in the Eritrean community, she said she was aware of the issues.

[86] When Regulatory Services asked Ms. Kuflom what she did to ensure after hours were not a problem at her restaurant, she said that she was closing the restaurant all the time.

[87] When Regulatory Services asked Ms. Kuflom who ordered liquor for Hdmona Restaurant and how she controlled her liquor inventory, she stated that she was responsible for ordering liquor and knew how many bottles she ordered.

[88] When Regulatory Services asked Ms. Kuflom if she compared her inventory with her liquor sales, she said that she counted the bottles once a week.

[89] When Regulatory Services asked how long Hdmona Restaurant operated without a liquor licence, Ms. Kuflom said about one and a half months.

[90] When Regulatory Services asked Ms. Kuflom if liquor was an integral part of her business, she said it was important and patrons typically ordered a couple of drinks with their meals.

[91] Regulatory Services reviewed the training and compliance manual submitted as Exhibit 6 and said that most of the items are about food service and food safety standards, which have nothing to do with AGLC. The few items that reference liquor just mention that Hdmona Restaurant will adhere to AGLC policy. Regulatory Services submitted that they would not consider the items presented by Ms. Kuflom as conditions for her licence to be conditions that either the Panel or Regulatory Services would put on a licence as they are expectations of every operator in Alberta. When Regulatory Services asked Ms. Kuflom if there is any item in the manual that is not listed in the Liquor Licensee Handbook as an expectation of every Licensee, Ms. Nguyen explained that the document was meant to provide reassurance that a log with employee training would be kept at Hdmona Restaurant. Regulatory Services responded that they understood that the Applicant was proposing to place the items on the liquor licence as conditions. Ms. Nguyen said that the log would provide reassurance that training has been done with the date and time. She further clarified that the condition would be that the Applicant must maintain the training log. Regulatory Services asked if the document was a set of expectations that Ms. Kuflom set out for herself. Ms. Nguyen stated that its purpose is to provide reassurance if the Licence were to be reinstated, and she acknowledged that the set of expectations are not conditions that are meant to be put on the Licence.

[92] When the Panel asked Ms. Kuflom at what time of the day most liquor sales occurred at when Hdmona Restaurant was operating, she said that most sales were at lunch and dinner.

[93] When the Panel asked Ms. Kuflom if her business was sustainable without liquor sales, she said that it was not and that is why she closed it.

[94] When the Panel asked Ms. Kuflom if she has any other financial partners, she said that she does not have any financial partners.

[95] When the Panel asked Ms. Kuflom why she let the Licence expire after April 30, 2025, she explained that she used to receive an email reminder to renew the Licence but she did not receive it and the Licence lapsed.

[96] The Panel asked for clarification on why Ruth Cafe & Restaurant Corp. applied for a liquor licence for Hdmona Restaurant when Hdmona Restaurant Corp. held the Licence for Hdmona Restaurant prior to the expiration of the Licence. Presiding Member Grier said that it is important to determine if the Panel is making a decision on Ruth Cafe & Restaurant Corp. or Hdmona Restaurant Corp. Presiding Member Grier suggested a ten-minute recess to allow Regulatory Services time to look into the matter. Upon returning from the recess, Regulatory Services explained that:

- AGLC's licensing system must be used by applicants to renew or apply for a licence, and each licensee has an ID number;
- two excerpts show that submissions in the licensing system were made by the Applicant;
- the first submission shows that Ruth Cafe & Restaurant Corp. applied for a liquor licence for Hdmona Restaurant;
- the second submission shows that Ms. Kuflom added herself to the application;
- the entries made in the application had to have been entered by Ms. Kuflom because the system does not allow AGLC employees to enter information; and
- the licensing agent was confused as to who was applying for what.

[97] Ms. Nguyen asked for clarification on what dates the applications were made and noted that she is hesitant about relying on the documents because the dates do not correlate.

[98] Regulatory Services asked the Panel to clarify what their concern is. Presiding Member Grier said that the Panel needs to make a decision for the right entity. Regulatory Services explained that regardless of the entity, Ms. Kuflom is the responsible party for both entities, and Ms. Kuflom applied for the Licence renewal using the login ID for Ruth Cafe & Restaurant Corp. Regulatory Services further explained that:

- one licensee can have multiple licences;
- in the licensing system, there is a failed application for Hdmona Restaurant under the applicant of Ruth Cafe & Restaurant Corp.; and
- of the two excerpts provided to the Panel and the Applicant, one shows the liquor licence application submitted on May 20, 2025 and the other shows the liquor certificate denied on July 18, 2025.

[99] Presiding Member Grier asked whether a licence approved by the Board for Ruth Cafe & Restaurant Corp. means approval for all other licences applied for by a licensee. Regulatory Services explained that each licence is treated individually. Presiding Member Grier asked Ms. Nguyen if she is clear on everything, and Ms. Nguyen said that she spoke to Ms. Kuflom during the recess, and Ms. Kuflom agrees with Regulatory Services that there was confusion when she was reapplying for the

Licence, she may have made a clerical error, and the excerpts provided by Regulatory Services look accurate. Presiding Member Grier entered the excerpts provided by Regulatory Services as Exhibit 7.

[100] The Panel asked if the Licence for Hdmona Restaurant was previously held by Hdmona Restaurant Corp., and the renewal for the Licence was submitted by Ruth Cafe & Restaurant Corp. The parties confirmed that was correct. When the Panel asked whether Ms. Kuflom would want the Licence renewed under Hdmona Restaurant Corp. or Ruth Cafe & Restaurant Corp., Ms. Kuflom said that it was two separate applications. Ms. Nguyen said that Ruth Cafe & Restaurant still has a licence, and Regulatory Services confirmed that they have no issues with that location. Regulatory Services further stated that Hdmona Restaurant Corp. may not have had an ID set up in the licensing system, and Ms. Kuflom may have inadvertently logged into the licensing system using the ID for Ruth Cafe & Restaurant Corp.

[101] When the Panel asked Ms. Kuflom if she recognizes any of the patrons in the video surveillance footage, she said that she recognized three of the patrons, including the one who succumbed to his injury.

[102] When the Panel asked if Ms. A charged the patrons for alcohol and shisha on February 17, 2025, Ms. Kuflom stated that she did not see any receipts and nothing was put through her payment system. She said it was possible that Ms. A was giving away Hdmona Restaurant's alcohol.

[103] When the Panel asked Ms. Kuflom if any community members have ever asked her to open Hdmona Restaurant after hours, she responded no.

Ms. K

[104] Ms. K said that she worked at Hdmona Restaurant for just over a year as a waitress and was ProServe certified. She also performed cleaning duties and closing procedures.

[105] With respect to opening and closing of Hdmona Restaurant, Ms. K advised that:

- she occasionally worked in the morning;
- Ms. W normally opened the restaurant in the morning; and
- Ms. Kuflom closed the restaurant most of the time.

[106] Ms. K recalled working at Hdmona Restaurant during the evening of February 16, 2025, and she closed the restaurant and departed at 1:30 a.m. or 1:35 a.m. on February 17, 2025 with Ms. A and Ms. W. Ms. K confirmed that she did not return to the restaurant after she left. During her shift, she worked as a waitress and performed closing procedures. Ms. K said that she had the key that night and was responsible for locking the door because Mr. Kuflom was away due to a family emergency.

[107] Ms. K explained that she gave the restaurant key to Ms. A so that she could clean the restaurant in the morning. Ms. K was also going to work at Hdmona Restaurant during the day of February 17, 2025.

[108] Ms. K said that to her knowledge, no staff member of Hdmona Restaurant was ever allowed to reopen the restaurant after it closed.

[109] With respect to training she received at Hdmona Restaurant, Ms. K stated that she received training from Ms. Kuflom on how to treat customers and how to close the restaurant at 2:30 a.m.

[110] Ms. K said that she has not worked at Hdmona Restaurant since February 17, 2025 because of the lack of customers.

[111] Ms. K stated that she understands that staff had no authority to serve liquor outside of permitted hours at Hdmona Restaurant.

[112] Ms. K said that she does not recall being invited to Hdmona Restaurant for after-hours service by anyone.

[113] During the time she was employed at Hdmona Restaurant, Ms. K advised that there were no other incidents like the one that occurred on February 17, 2025.

[114] Ms. K said that she does not know why there was a lock on the inside of Hdmona Restaurant.

[115] When Regulatory Services asked how often customers helped at Hdmona Restaurant, Ms. K said that customers did not help or work in the restaurant.

[116] When Regulatory Services asked Ms. K if she has worked at any other restaurants in Calgary, she confirmed that she has worked at another restaurant and provided the name.

[117] When Regulatory Services asked Ms. K if the other restaurant she worked at operated after hours, she responded no.

[118] When Regulatory Services asked Ms. K if she is aware of the afterhours issues in the Eritrean community, she said that she is not aware of any issues because she does not go out.

[119] When Regulatory Services asked if she often saw patrons lying on the floor in Hdmona Restaurant or the other restaurant she worked at, Ms. K said she has never seen patrons lying on the floor.

[120] When Regulatory Services asked Ms. K what she would do if she saw a patron lying incapacitated on the floor, she said she would call 911.

Ms. W

[121] Ms. W said that she cooked food and prepared drinks at Hdmona Restaurant for seven or eight years, and she is ProServe certified.

[122] Ms. W stated that she remembers working at Hdmona Restaurant during the evening of February 16, 2025 until the morning of February 17, 2025. She worked until 1:30 a.m., and the restaurant was closed when she departed the premises. Ms. A and Ms. K were also working that night, and Ms. W said that she recalls Ms. K closing the restaurant and locking its door.

[123] Ms. W advised that she opened Hdmona Restaurant, and Ms. Kuflom closed the restaurant most of the time.

[124] Ms. W said that to the best of her knowledge, Ms. Kuflom never permitted any staff member to reopen the restaurant after it was closed. She further stated that nothing like the incident on February 17, 2025 had ever occurred in the time she worked at Hdmona Restaurant.

[125] Ms. W was not aware that Ms. A reopened the restaurant after it closed on February 17, 2025, nor was she invited to join the afterhours event.

V. Summation

Regulatory Services

[126] Regulatory Services submits that the only issue before the Panel is whether the Applicant is suitable to hold a liquor licence in the Province of Alberta. Operating a liquor licensed premises in this province is a privilege, not an automatic right which comes with significant responsibilities, including complying with the Act, the Regulation and AGLC policies. Licensees and their staff are required to ensure they follow all legislation and policies governing licensed premises. Albertans expect licensees to be responsible business owners and operate their premises in a safe and controlled manner.

[127] Regulatory Services normally utilizes a progressive enforcement model that starts with education and possibly a verbal warning. Regulatory Services then moves to enforcement, and then possibly a hearing. However, an egregious incident like this where an individual died as a direct result of the Applicant's lack of supervision does not warrant starting with education and a warning; an event like this is generally the catalyst for an internal conversation at AGLC regarding whether this is a business owner that that AGLC want to be in business with.

[128] The Applicant claimed to have no idea that her staff were operating the premises after hours. Given that the Hdmona Restaurant has a video surveillance system and liquor controls that the Applicant claimed to be in place, Regulatory Services contends that it is unlikely the Applicant was unaware that the premises was operating after hours.

[129] The Applicant still maintains a City of Calgary business licence to operate as a restaurant. There's no requirement for a liquor licence to be in place for a restaurant to serve food to patrons, as evidenced by the many restaurants in the city. The fact that the Applicant has chosen not to reopen her premises as a food primary restaurant like her city licence indicates clearly shows that liquor is a primary source of revenue for this business.

[130] Regulatory Services takes the position that much of the evidence provided by the Applicant was designed to show that Ms. Kuflom had no knowledge of the afterhours operations at the premises. Regulatory Services finds this highly unlikely; it is more likely that the Applicant willingly chose to operate in this fashion, disregarding the regulations and policies that are in place to ensure public safety in Alberta.

[131] Regulatory Services submits that the Applicant's witnesses tried to paint a picture of a single bad event happening at this premises. Given the familiarity and regularity of the people coming to the door, along with the lax approach to violence by the Applicant's staff, it seems to be very clear that these types of events were happening on a regular basis.

[132] The Applicant submitted statements that the premises closed at 1:30 p.m. that night; however, neither video nor receipts for that night were presented to prove these claims.

[133] The Applicant also submitted three letters of support, which lament the loss of the restaurant and remind Panel members that the restaurant has always remained fully licensed by the City of Calgary as a restaurant. Regulatory Services asserts that Hdmona Restaurant could have opened any time as a cultural hub or community space and offered its authentic cuisine to the community. The fact that it is not open should be a clear message that it cannot operate without liquor service. Regulatory Services contends that this is not a restaurant; it is a nightclub. It was stated that three to four beers would be sold at dinner time. If that is the difference between a successful business and an unsuccessful business, the Applicant's business model needs to be examined. Regulatory Services takes the position that if a business cannot succeed without liquor service, then it does not warrant a liquor licence. The exception to this is a nightclub.

[134] The Panel heard evidence from Ms. Nash that the afterhours issue was so large in this community that community members asked Calgary Police Service for help. Regulatory Services finds it troubling that the Applicant did not implement any measures in Hdmona Restaurant to combat this. As the licence holder and the sole person responsible for the operation of this business, Ms. Kufлом claims to have very good surveillance, a robust liquor control system and great communication with her staff. Regulatory Services is of the opinion that it would have been impossible for the Applicant to be unaware that these things were happening.

[135] The Applicant's liquor licence application was denied pursuant to section 13 of the Regulation, which states that the Board may refuse to issue a licence to an applicant or to register an applicant if the board is satisfied that the applicant, any of the applicant's employees or associates or any other person with connections to the applicant is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person.

[136] Section 121 of the Act states that if an employee or an agent of a licensee contravenes any provision of this Act, the licensee is deemed also to have contravened this provision unless the licensee establishes on a balance of probabilities that the licensee took all reasonable steps to prevent the employee or agent from contravening the provision. Regulatory Services submits that while Ms. Kufлом did some training with her staff, she was aware of the large, ongoing issues in the Eritrean Community in that area of Calgary, and she did not do everything she could have done to prevent that incident from happening at Hdmona Restaurant.

[137] Regulatory Services respectfully asks the Panel to uphold the decision to refuse the issuance of the liquor licence for Hdmona Restaurant.

Ruth Cafe & Restaurant Corp.

[138] Ms. Nguyen submits that the facts are clear; Hdmona Restaurant was properly closed between 1:30 a.m. and 2:00 a.m. on February 17, 2025. The employees of Hdmona Restaurant were ProServe certified, received training and knew the rules. Ms. A chose to disregard those rules and acted entirely on her own without authorization and in direct violation of Ms. Kufлом's instructions. Ms. A's decision

and the tragic consequences that followed cannot be fairly said to reflect the character, integrity and honesty of Ms. Kuflom and her business operation.

[139] Ms. Nguyen submits that Regulatory Services relied on section 13 of the Regulation, which allows the Board to refuse a licence where an applicant or their employees may not act with honesty, integrity, or in the public interest. This section requires a fair and balanced assessment. Ms. Nguyen takes the position that the misconduct that occurred on February 17, 2025 was isolated. It was one employee during one night over the span of ten years of lawful operation. Further, as the Panel heard from the other two employees who were there, it was also contrary to the training and direction that Ms. A received. This was not necessarily negligence by the owner. Ms. Kuflom admits that she could have taken more steps to be more proactive in ensuring public safety in her business and ensuring proper training protocols.

[140] Ms. Nguyen takes the position that this issue has been remedied. Ms. A was terminated, all staff were retrained, and procedures have been changed to prevent recurrence. The positive factors weigh heavily in favour of renewal of the Licence; over a decade of responsible operation with no serious contraventions, demonstrated corrective action by Ms. Kuflom, and strong community support.

[141] Ms. Nguyen submits that Ms. Kuflom has been operating Ruth Cafe and Restaurant with no issues, and that shows that she is responsible and can follow the proper procedures while holding a liquor licence.

[142] Ms. Nguyen is of the opinion that the purpose of Alberta's liquor laws is not to impose collective punishment on responsible operators, but to ensure public safety and compliance. It is the Applicant's position that Ms. Kuflom has taken steps to meet this objective.

[143] Ms. Nguyen respectfully submits that refusing the renewal of the Licence in these circumstances would be disproportionate and contrary to the public interest. Further, it would destroy a long-standing community business because of the unauthorized misconduct of one individual who no longer works at Hdmona Restaurant. There was a lot of mention about violence and after-hours issues in the Eritrean and Ethiopian community, but there was no discussion on recognizing the cultures and customs of this community.

[144] Ms. Kuflom has chosen not to reopen Hdmona Restaurant due to financial hardship. She submits that if she were to remain open, she would have to pay employees her time plus utilities. Ms. Kuflom chose to instead focus on Ruth Café and Restaurant; however, she has made the decision to close Ruth Cafe & Restaurant given its downtown location, and her hope is to turn her focus to Hdmona Restaurant.

[145] If the Panel considers conditions appropriate, such as requiring further staff training or enhanced closing procedures, Ms. Kuflom is prepared to accept them in order to demonstrate her commitment to compliance. Ms. Kuflom has shown honesty, integrity and responsibility. This was demonstrated when the police officer called her and requested video footage. This was something that she provided to them without delay, which she could have easily withheld or delayed its production.

[146] Ms. Nguyen respectfully submits that one rogue act by a previous employee should not erase ten years of lawful, responsible operation. Ms. Kuflom is also willing to abide by any mandatory conditions that the Board sees fit. In addition to giving the Panel her word, the training and compliance manual is something that she compiled to show what she could implement and to offer reassurance and confidence in her as the Applicant. Ms. Kuflom is aware that having a licence is a privilege, and she has no objections to any type of conditions that she would need to impose. She is aware that certain conditions could be very time-consuming conditions, such as regular visits from and reporting to AGLC. Ms. Kuflom is fully aware of this and willing to comply.

VI. Analysis

[147] The Panel carefully considered the oral and documentary evidence submitted by Regulatory Services and the oral and documentary evidence provided by the Applicant's witnesses in making its finding of fact.

[148] Regulatory Services presented video surveillance footage of the inside of Hdmona Restaurant showing that, among other things, an employee of Hdmona Restaurant and her friend reopened the restaurant during unauthorized hours; permitted numerous patrons to enter the restaurant; served alcohol and shisha to the patrons; allowed patrons to fight and did not call CPS; and neglected to call an ambulance for a patron who clearly required medical attention after being attacked, was left lying on the premises floor for a period of time and subsequently succumbed to his injuries.

[149] Ms. Kuflom did not deny that these events occurred and submitted that she did not give Ms. A permission to operate Hdmona Restaurant after hours.

[150] The February Incident was the basis for denying Ms. Kuflom's liquor licence renewal application. Regulatory Services cited section 13(a) of the Regulation in their refusal letter, which states that the board may refuse to issue a licence to an applicant or to register an applicant if the board is satisfied that the applicant, any of the applicant's employees or associates or any other person with connections to the applicant is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person.

[151] Ms. Kuflom contended that she always acted with honesty and integrity, and she operated Hdmona Restaurant in accordance with the Act, the Regulation and AGLC policies. The Panel notes that Ms. Kuflom's willingness to cooperate with CPS and AGLC speaks to her integrity. However, the evidence provided by Regulatory services clearly demonstrates that Ms. A was an employee of Hdmona Restaurant who did not act in accordance with the law, the public interest nor with integrity and is not someone who should have been permitted to be involved in the operations of a liquor licensed premises. Licensees are ultimately responsible for what occurs in their licensed premises, including the actions of their employees.

[152] Section 121 of the Act provides that if an employee of a licensee contravenes a provision of the Act, the licensee is also deemed to have contravened the provision unless the licensee establishes on a balance of probabilities that the licensee took all reasonable steps to prevent the employee from contravening the provision. Ms. Kuflom admitted to being aware of the after-hours issues in the Ethiopian and Eritrean communities. She further submitted that she felt she could trust Ms. A since she

had known her for two or three years. The Panel notes that Ms. A had only been employed at Hdmona Restaurant for a very short period of time when she was entrusted with a key to the restaurant. The Panel finds that Ms. Kuflom ought to have been far more vigilant in deciding who she could give care and control of Hdmona Restaurant to. Ms. Kuflom did not submit any documentary evidence to substantiate that she had a comprehensive staff training program in place prior to the February Incident. The Panel finds that by neglecting to provide adequate oversight and internal training and education for the employees of Hdmona Restaurant, the Applicant did not take all reasonable steps to prevent Ms. A from contravening the legislation and AGLC policies. As such, the Panel finds that Ms. Kuflom is also deemed to have contravened the legislation and AGLC policies.

[153] Ms. Nash submitted that video surveillance footage showing the closing of Hdmona Restaurant on February 17, 2025 was not provided. Ms. Kuflom testified that she was unsure if the patrons were charged for the liquor they received during the after-hours event. Given Ms. Kuflom's admission that she was unsure if patrons were charged for liquor on February 17, 2025, the Panel determines that Ms. Kuflom did not have control or good management practices in place.

[154] Ms. Kuflom and Regulatory Services testified that Hdmona Restaurant does not have a history of compliance issues. While the Panel recognizes that Hdmona Restaurant may have no prior contraventions, the February Incident is too egregious to ignore.

[155] Holding a liquor licence is not a right; it is a privilege that comes with significant responsibilities, including the requirement for licensees and their employees to follow legislation and policies without exception. Ms. Kuflom, who was the sole director and sole shareholder of Hdmona Restaurant Corp. at the time of the February Incident, was ultimately responsible for Hdmona Restaurant and adhering to these requirements.

[156] Public safety is of paramount importance to AGLC. The Panel feels that permitting Hdmona Restaurant to operate again after such a heinous incident would pose far too great a risk to public safety and to AGLC's reputation.

[157] As such, the Panel finds that Regulatory Services' decision to refuse the Applicant's liquor licence application for Hdmona Restaurant pursuant to section 13(a) of the Regulation was reasonable and in the best interests of ensuring public safety and upholding public confidence in AGLC.

VII. Finding

[158] For the reasons stated above and in accordance with section 94(7)(a) of the Act, the Panel confirms the refusal of the Applicant's liquor licence application for Hdmona Restaurant.

Signed at Calgary, this 7th day of November, 2025



Patti Grier, Presiding Member, Hearing Panel