



SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is made by and between Benevolent Protective Order of Elks No. 177 (“Elks #177”), located at 416 Park Avenue, Ironton, Ohio 45638 and the Attorney General of Ohio (“Attorney General”), for the purpose of resolving issues regarding Elks #177’s charitable bingo operations. Together, the Attorney General and Elks #177 are referred to hereinafter as “the parties.”

1. The Attorney General is responsible for the administration and enforcement of Ohio Revised Code Section 2915 (“ORC 2915 *et seq.*”), and the Ohio Administrative Code rules adopted thereunder, which regulate the conduct of charitable bingo in the State of Ohio.
2. The Attorney General is responsible for the enforcement of Ohio Revised Code Section 1716 (“ORC 1716 *et seq.*”), and the Ohio Administrative Code rules adopted thereunder, which requires, among other things, that every charitable organization, unless exempt, who intends to solicit contributions in this state by any means or have contributions solicited in this state on its behalf by any person or entity, prior to engaging in any solicitation, shall file a registration statement and other documentation with the Attorney General.
3. The Attorney General is responsible for the enforcement of Ohio Revised Code Section 109 (“ORC 109.23-33”), and the Ohio Administrative Code rules adopted thereunder, and, in particular, ORC 109.24, which reads, “[t]he Attorney General shall institute and prosecute a proper action to enforce the performance of any charitable trust and to restrain the abuse of it”.
4. The Attorney General has authority to refuse to grant a bingo license to an organization, may revoke or suspend the organization’s license, or may place limits, restrictions, or probationary conditions on the organization’s license for a limited or indefinite period.
5. Elks #177 is a 501(c)(8) tax exempt organization with the Internal Revenue Service (“IRS”). Elks #177 is registered with the Attorney General as required under ORC Sections 1716 and 109.
6. During all relevant times Elks #177 held a Type III paper and electronic instant charitable bingo permit or license # 0014-28.

7. On December 29, 2025, Elks #177 was issued a 2026 Type III paper and electronic instant bingo temporary permit.
8. On May 22, 2025, Elks #177 engaged in a SETTLEMENT AGREEMENT with the Attorney General due in part to charitable distribution arrearages and deposit shortages.
9. On February 23, 2026, the Attorney General conducted an annual financial inspection of Elks #177 for the 2025 bingo fiscal year.
10. As a result of that inspection, Elks #177 has a 2025 charitable distribution shortage totaling \$19,831.83.
11. Elks #177 violated the 2025 SETTLEMENT AGREEMENT (Term E) by failing to pay their 2025 contracted charitable distributions while also satisfying their 2022-2023 distribution arrearages.
12. Proper accounting and internal control procedures were not followed therefore, resulting in deposit shortages in the paper instant bingo checking account totaling \$3,811 or 38.7% of their gross profit.
13. Elks #177 violated the 2025 SETTLEMENT AGREEMENT (Term M) by failing to comply with the requirements of ORC 2915.10(C) regulating depositing bingo gross profits.

NOW THEREFORE, in consideration of the mutual promises herein expressed, and with intent to be legally bound, the parties agree as follows:

- A. Elks #177 shall pay Ohio Elks Charitable Trust a total of **\$19,831.83** (nineteen thousand eight hundred and thirty-one dollars and eighty-three cents) with an initial payment of **\$1,831.83** (one thousand eight hundred thirty-one dollars and eighty-three cents) due upon execution of this agreement. Beginning October 1, 2026 until June 1, 2027 Elks #177 shall pay monthly installments of **\$2,000** (two thousand dollars and no cents). The aforementioned payments shall be paid exclusively from general operating account.

Elks #177 must write in the "memo" line of the check if it should be credited towards 2025 distribution arrearages. If this notation is not made and the funds are applied to satisfy the current annual distributions, it could result in a violation of this agreement.

A copy of this executed agreement will be sent to Ohio Elks Charitable Trust, P.O. Box 999, Marysville, Ohio 43040.

- A. Elks #177 shall upload copies of the cancelled checks or other proof of payment made under Paragraphs A to the Charitable Account Management Portal monthly. When your organization accesses the portal and has chosen a file to upload, please select “Type”, “Portal Organization” and “SETTLEMENT AGREEMENT Cancelled Checks”. Failure to upload proof verification of these payments could lead to a violation of this SETTLEMENT AGREEMENT.
- B. Elks #177 shall pay a civil penalty in the amount of \$5,000 (five thousand dollars and no cents). The Attorney General agrees to STAY \$2,500 (two thousand five hundred dollars and no cents) of the Civil Penalty Amount upon monthly compliance with the terms of this SETTLEMENT AGREEMENT. The Attorney General has sole authority to determine whether Elks #177 has fully complied with this SETTLEMENT AGREEMENT. Should the Attorney General determine that Elks #177 has failed to comply with this SETTLEMENT AGREEMENT, the remaining \$2,500 (two thousand five hundred dollars and no cents) Civil Penalty Amount shall be payable upon demand.
- B. Elks #177 agrees to pay the **\$2,500** (two thousand five hundred dollars and no cents) Civil Penalty exclusively from the general operating account. This payment can be made by check, cashier’s check, money order, or wire transfer (for wire transfer please contact CharitableFundsAccounting@OhioAGO.gov), payable to “**Treasurer of the State of Ohio**” as Custodian for the Ohio Attorney General and mailed to:

Ohio Attorney General
Charitable Law Section
30 East Broad Street, 25th Floor
Columbus, Ohio 43215
RE: Elks #177

Civil Penalty amounts shall be deposited in accordance with O.R.C. 109.112 into the AGO Court Order and Settlement Fund for transfer, upon the Attorney General’s request, to the Charitable Law Fund established under O.R.C. 109.32;

- C. If Elks #177 fails to comply with the payment requirements above, the Attorney General shall certify the unpaid balance of the payment to the Ohio Attorney General’s Collections Enforcement Section (“Collections”) for collection. In the event of certification, Elks #177 agrees to pay additional collection costs assessed by Collections in accordance with Ohio Revised Code Section 131.02(A) equal to the amounts charged pursuant to Ohio Revised Code Sections 109.08 and 109.081 for the cost of certification and the use of Special Counsel for the collection of the debt. Interest shall also be charged upon certification in accordance with Ohio Revised Code Section 131.02(D). Nothing in this paragraph should be construed to limit the Attorney General’s discretion to pursue any other available remedy.

- D. Elks #177 agrees that while it is paying off the distribution shortages noted in paragraph A, it will continue to make all current bingo fiscal year charitable distributions required under Ohio law and its contract(s) monthly.
- E. Elks # 177 agrees to submit a monthly report that includes copies of all canceled checks issued pursuant to this SETTLEMENT AGREEMENT and evidencing the monthly charitable distribution payments made to the Ohio Elks Charitable Trust. The report shall indicate if Elks #177 has met their monthly settlement and charitable distribution obligations.
- F. The monthly report and required documentation referred to in paragraph G shall be uploaded to the organization's Attorney General Account Portal. This requirement shall remain in effect one year from the execution of this agreement.
- G. Elks #177 shall promptly notify the Attorney General in writing if it fails to make any payment required under Paragraph A or F by the applicable due date. The notice shall include an explanation of the reason for the failure to make the required payment.
- H. Elks #177 agrees to follow all legal requirements for depositing gross profit into the designated bingo checking account pursuant to ORC 2915.10(C).
- I. Elks #177 agrees that if it fails to comply with any requirements in Paragraphs A through G above, Elks #177 shall pay the stayed amount of the civil penalty in paragraph B above.
- J. Elks #177 agrees that if it fails to comply with requirements in Paragraph A through G above, it will surrender its Charitable Bingo License and/or Charitable Bingo Temporary License to the Attorney General as well as request, in writing, the withdrawal of any Charitable Bingo License Applications it has pending or refrain from initiating an application for the next bingo license year.
- K. Elks #177 agrees that fulfilling the terms of this SETTLEMENT AGREEMENT in no way negates its current contractual obligations to its contracted charity or its successor(s);
- L. Elks #177 agrees to comply with all state and federal laws relating to charitable gaming, and to fully cooperate with all state and federal authorities conducting investigations of Elks #177's charitable gaming operations;
- M. Elks #177 agrees to comply with the requirements of ORC 2915 *et seq.*, and any Ohio Administrative Code rules adopted thereunder;
- N. Elks #177 agrees to comply with the requirements of ORC 1716 *et seq.* (the Ohio Charitable Organizations Act), and any Ohio Administrative Code rules adopted thereunder;

- O. Elks #177 agrees to comply with the requirements of ORC 109.23-109.33 (the Charitable Trust Act), and any Ohio Administrative Code rules adopted thereunder;
- P. This SETTLEMENT AGREEMENT is a limit, restriction, or probationary condition on Elks #177 charitable bingo license.
- Q. In return for execution of and compliance with this SETTLEMENT AGREEMENT, the Attorney General agrees to STAY the Civil Penalty Amount imposed in paragraph B. The Attorney General may consider the facts stated above when issuing future charitable bingo licenses to Elks #177.
- R. Elks #177 agrees that any evidence of a violation of this SETTLEMENT AGREEMENT shall be *prima facie* evidence of Elks #177's violation of the applicable laws related to charitable gaming, ORC 2915 *et seq.*, ORC 1716 *et seq.*, ORC 109.23-109.33, or any Ohio Administrative Code rules adopted thereunder, in any subsequent action or proceeding brought by the Attorney General;
- S. This SETTLEMENT AGREEMENT is binding upon the parties, any and all successors, assigns, subsidiaries, agents, employees, or representatives of the parties or any other affiliates. Any breach of this SETTLEMENT AGREEMENT by Elks #177 will discharge the Attorney General from any obligations under the terms of this SETTLEMENT AGREEMENT, but will not discharge Elks #177 from any obligation it has under this SETTLEMENT AGREEMENT;
- T. By signing this SETTLEMENT AGREEMENT, the Attorney General is not waiving any rights he has to conduct further investigations of Elks #177 and to initiate an action against Elks #177 for further violations of ORC 2915 *et seq.*, ORC 1716 *et seq.*, ORC 109.23-33, or any Ohio Administrative Code rules adopted thereunder;
- U. This SETTLEMENT AGREEMENT may be modified in writing by the parties. Modifications are at the sole discretion of the Attorney General;
- V. The parties have read and understand this SETTLEMENT AGREEMENT and have entered into the same knowingly, voluntarily, and with the opportunity to gain advice of counsel;
- W. This SETTLEMENT AGREEMENT supersedes any and all prior agreements between the Parties; and
- X. This SETTLEMENT AGREEMENT is entered into by both parties and may be executed in counterparts or facsimiles, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. It shall be considered binding and effective upon the date of the last signature of all requisite parties and individuals.

The parties to this SETTLEMENT AGREEMENT have either executed it or caused it to be executed by their duly authorized representatives as evidenced by the signatures below:

Benevolent Order of Elks No. 177

September 4 2026
Date

By: Joseph Young (Print Name)

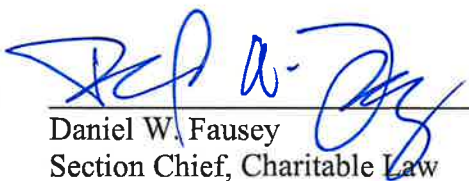
Its: Primary Bingo Game Operator (Organizational Title)

Monica Blanton 9/4/24
Date

By: Monica Blanton (Print Name)

Its: Principal person of Charitable (Organizational Title)
Organization - Electron Instant Bingo Operator

OHIO ATTORNEY GENERAL ANDY WILSON

By:  9/16/26
Date
Daniel W. Fausey
Section Chief, Charitable Law