

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is made by and between Circleville Aerie No. 685, Fraternal Order of Eagles (“FOE #685”), located at 135 East Main St., Circleville, OH 43113, and the Attorney General of Ohio (“Attorney General”), for the purpose of resolving issues regarding FOE #685’s charitable bingo operations. Together, the Attorney General and FOE #685 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 charitable 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. FOE #685 is a 501(c)(8) tax exempt organization with the Internal Revenue Service (“IRS”). FOE #685 is registered with the Attorney General as required under ORC Sections 1716 and 109.
6. FOE #685 has held bingo license no. 0243-32 since at least 2019. The license permitted FOE #685 to conduct Type III instant paper bingo.
7. On or about December 21, 2021, FOE #685 filed its bingo renewal application which also sought to permit FOE #685 to conduct electronic bingo.
8. FOE #685 was granted a permit to conduct Type III electronic bingo in 2022. In all years subsequent to 2022, FOE #685 submitted an application and renewed its permit to conduct Type III electronic bingo.
9. On November 4, 2024, FOE #685 submitted an amendment to its application in order to obtain a Type I and Type II bingo license for a period of eight (8) weeks.

10. Thereafter, on December 18, 2024, FOE #685 submitted a renewal application seeking permits for Type I, Type II and Type III bingo. The application requested that the permit allow Type I and Type II bingo play for fifty-two (52) weeks per year.
11. On January 2, 2025, FOE #685 was granted permits for Type I, Type II and Type III bingo.
12. The trustees of FOE #685 have fiduciary duties under RC 109.23-33, RC 1716.17, and the common law.
13. The Attorney General caused an investigation to be conducted by the Charitable Law Section into FOE #685's charitable trust activities (the "Charitable Investigation").
14. As part of the investigation, the Attorney General found that between April 1, 2022 and December 17, 2023, FOE #685 conducted electronic instant bingo outside of its licensed hours on or about 279 days. Further, four additional instances of electronic bingo play outside of FOE #685 licensed hours occurred in 2024.
15. Further, the Attorney General found that FOE #685 had conducted Type I bingo sessions ("Traditional Bingo") and Type II bingo sales over a period of years prior to obtaining the required licensing.
16. As a result of the Charitable Investigation, the Attorney General believes that FOE 685 has failed to comply with the requirements of the Ohio Revised Code Chapters 109, 1716 and 2915, and the common law by committing the following violations:
 - A. RC 2915.08(F)(2)(a): FOE #685 violated RC 2915.07 by conducting Type I bingo without a license.
 - B. RC 2915.08(F)(2)(a): FOE #685 violated RC 2915.07 by conducting Type II bingo without a license.
 - C. RC 2915.08(F)(2)(a) and (e): FOE #685 violated RC 2915.14(B)(2) by conducting electronic instant bingo outside of licensed hours.
 - D. RC 1716.17, RC 109.23(A), and common law: Michael Roeder breached his fiduciary duties of care, to comply with Ohio law, and to act in the best interest of the charity.
 - E. RC 2915.08(F)(3) and (4): The trustees breached their fiduciary duties to, or committed other type of misconduct related to, FOE 685.

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

17. FOE #685 will pay the Attorney General's Office \$10,000 (Ten Thousand Dollars) in civil penalties (the "Civil Penalty Amount").
18. FOE #685 agrees that the Civil Penalty Amount shall come exclusively from Post #685's general operating account by check, cashier's check, or money order payable to Treasurer, State of Ohio and mailed to:

Ohio Attorney General, Charitable Law Section
Finance Department – CL
30 East Broad Street, 25th Floor
Columbus, Ohio 43215
RE: FOE 685/Charitable Law

The funds will be deposited into the charitable law fund established under ORC 109.32.

19. If FOE #685 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, FOE #685 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.
20. FOE #685 further agrees that Michael Roeder is prohibited from having any involvement with FOE #685's charitable bingo activities in any capacity. However, Michael Roeder may serve as a trustee or officer of FOE #685 and Michael Roeder may play bingo as a member participant.
21. All FOE #685 Board Members, officers and bingo volunteers shall complete the Office's Charitable University within 90 days of the date this SETTLEMENT AGREEMENT is executed, and provide evidence of completion to the Office. The individuals completing Charitable University shall include those identified on FOE #685's most recent bingo license application or as modified.
22. FOE #685 agrees that all current board members and officers that have not registered and attended the Attorney General's Bingo School shall register and complete the courses within 180 days of the date this SETTLEMENT AGREEMENT is executed, and provide evidence of completion to the Office. The individuals completing bingo school shall be those identified on FOE 685's most recent bingo license application or as modified. Attendance is free, but participants must register in advance at <https://charitable.ohioago.gov/Charitable-Bingo/Register-for-Bingo-School> or by calling 614-466-3180.
23. FOE #685 and all Board Members would agree to cooperate with any future investigation conducted by the Office related to FOE #685 or persons and entities involved with FOE #685.
24. If FOE #685 fails to comply with the resolution delineated above, such actions could result in rejection of Bingo License no. 0243-32 and/or the Office pursuing other corrective

action, including, but not limited to, civil litigation. Nothing in this paragraph should be construed to limit the Attorney General's discretion to pursue any other available remedy.

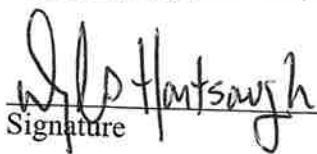
25. FOE #685 agrees to comply with all state and federal laws relating to charitable gaming, and to fully cooperate with all state and federal authorities conducting investigations of FOE #685's charitable gaming operations.
26. FOE #685 agrees to comply with the requirements of ORC 2915 *et seq.*, and any Ohio Administrative Code rules adopted thereunder.
27. FOE #685 agrees to comply with the requirements of ORC 1716 *et seq.* (the Ohio Charitable Organizations Act), and any Ohio Administrative Code rules adopted thereunder.
28. FOE #685 agrees to comply with the requirements of ORC 109.23-109.33 (the Charitable Trust Act), and any Ohio Administrative Code rules adopted thereunder.
29. The Attorney General will not consider the facts giving rise to this Agreement when issuing charitable bingo licenses to FOE #685 in the future unless FOE #685 fails to comply with any provision of this Agreement. In that event, the Attorney General may consider the facts giving rise to this Agreement when determining whether to issue or deny future bingo licenses to FOE #685 and may revoke, suspend, deny, place limitations or probationary terms on FOE #685's Charitable Bingo License or application based on those facts.
30. FOE #685 agrees that any evidence of a violation of this SETTLEMENT AGREEMENT shall be *prima facie* evidence of Post #685'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.
31. 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 FOE #685 will discharge the Attorney General from any obligations under the terms of this SETTLEMENT AGREEMENT, but will not discharge FOE #685 from any obligation it has under this SETTLEMENT AGREEMENT.
32. By signing this SETTLEMENT AGREEMENT, the Attorney General is not waiving any rights he has to conduct further investigations of FOE #685 and to initiate an action against FOE #685 for further violations of ORC 2915 *et seq.*, ORC 1716 *et seq.*, ORC 109.23-33, or any Ohio Administrative Code rules adopted thereunder.
33. This SETTLEMENT AGREEMENT may be modified in writing by the parties. Modifications are at the sole discretion of the Attorney General.
34. 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.

35. This SETTLEMENT AGREEMENT supersedes any and all prior agreements between the Parties.
36. This SETTLEMENT AGREEMENT is a limit, restriction, or probationary condition on FOE #685's charitable bingo license.
37. 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.

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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:


CIRCLEVILLE AERIE NO. 685,
FRATERNAL ORDER OF EAGLES


Signature

Douglas Hartsaugh FOE 685 President
Print Name/Title

5/14/25
Date

DAVE YOST
OHIO ATTORNEY GENERAL



Daniel W. Fausey
Section Chief, Charitable Law Section

6/10/25
Date


Suzanne R. Galyardt (0079822)
Counsel for Defendant