



SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is made by and between Fraternal Order of Eagles #2801 (“FOE #2801”), located at 3240 Walnut Road, Buckeye Lake, OH 43008 and the Attorney General of Ohio (“Attorney General”), for the purpose of resolving issues regarding FOE #2801’s charitable bingo operations. Together, the Attorney General and FOE #2801 are referred to hereinafter as “the Parties.”

1. The Attorney General is responsible for the administration and enforcement of charitable bingo licensure under Ohio Revised Code Chapter 2915 (“ORC 2915.01 *et seq.*”), and the Ohio Administrative Code rules adopted thereunder.
2. The Attorney General is responsible for the administration and enforcement of the Ohio Charitable Organizations Act in Revised Code Chapter 1716 (“ORC 1716.01 *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 Charitable Trust Act in Revised Code Chapter 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, to revoke or suspend an organization’s license, or to place limits, restrictions, or probationary conditions on an organization’s license for a limited or indefinite period.
5. FOE #2801 is a 501(c)(8) tax-exempt organization with the Internal Revenue Service (“IRS”). FOE #2801 is registered with the Attorney General as required under ORC Chapters 1716 and 109.
6. FOE #2801 was first issued charitable bingo license # 0194-32 in 2019. FOE #2801 is licensed to play Type III bingo
7. On or about January 8, 2023, FOE #2801’s bar manager and Primary Bingo Game Operator, Deidre Chasteen, played at least one of FOE #2801’s electronic bingo machines.

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8. On or about January 8, 2023, FOE #2801's working bartender was Diedre Chasteen's daughter, Alisha. Alisha is not currently listed as an E-Bingo Operator on FOE #2801's bingo license application.
9. FOE #2801's Officers were made aware of the situation by way of internal complaint.
10. FOE #2801's Officers acted upon the complaint by issuing Diedre Chasteen a write-up, which included a 40-hour suspension without pay (a total of \$320.00), lasting from January 30, 2023 to February 3, 2023. Then, on February 4, 2023, FOE #2801's Trustees provided Diedre Chasteen with a written job description for her position as Bar Manager.
11. On or about February 9, 2023, FOE #2801 Officer Tom Ferraro, Susan Ferrero, and Diedre Chasteen attended the Attorney General's Bingo School.
12. On or about April 26, 2023, an E-Bingo compliance inspection was conducted by the Attorney General at FOE #2801, during which the January 8, 2023 incident was also discussed.

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

- A. FOE #2801 shall pay to the Attorney General's Office, upon execution of this SETTLEMENT AGREEMENT, a Civil Penalty Amount of \$500 (five hundred dollars).
- B. FOE #2801 agrees that the Civil Penalty Amount shall come exclusively from FOE #2801'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
Attn: Chief Accountant
30 East Broad Street, 25th Floor
Columbus, Ohio 43215

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

- C. If FOE #2801 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 #2801 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

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paragraph should be construed to limit the Attorney General's discretion to pursue any other available remedy.

- D. FOE #2801 agrees that the primary bingo operator, bingo records custodian, and at least one other bingo volunteer shall attend Bingo School no later than March 31, 2024. The individuals attending bingo school shall be those identified on FOE #2801's most recent bingo license application or as modified. Although attendance at Bingo School is free, participants must register in advance <https://charitable.ohioago.gov/Charitable-Webinars> or by calling (614) 466-3180.
- E. FOE #2801 agrees that it will, in a timely manner, submit to the Attorney General the names, titles, contact information, and dates of birth of all current FOE #2801 Electronic Instant Bingo Operators on all bingo license applications, renewals, and amendments. Electronic Instant Bingo Operators are any person(s) with access to electronic bingo game machines and anyone handling cash, or with a key or bank account access for electronic instant bingo.
- F. FOE #2801 agrees that if it fails to comply with requirements in Paragraph A through E above, it will surrender its Charitable Bingo License and/or Charitable Bingo Temporary Permit 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 current year.
- G. FOE #2801 agrees that in the event that the conditions contained in paragraph F above result in FOE #2801 not having a current bingo license, FOE #2801 shall not make application for a Charitable Bingo License until FOE #2801 has satisfied all charitable distribution requirements both under this SETTLEMENT AGREEMENT, under its contracts with any charities, and as required by Ohio law.
- H. FOE #2801 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).
- I. FOE #2801 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 #2801's charitable gaming operations.
- J. FOE #2801 agrees to comply with the requirements of ORC 2915.01 *et seq.*, and any Ohio Administrative Code rules adopted thereunder.
- K. FOE #2801 agrees to comply with the requirements of ORC 1716.01 *et seq.*, and any Ohio Administrative Code rules adopted thereunder.
- L. FOE #2801 agrees to comply with the requirements of ORC 109.23-.33, and any Ohio Administrative Code rules adopted thereunder.

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- M. FOE #2801 agrees that if it fails to comply with the terms of this SETTLEMENT AGREEMENT, it may be subject to additional restrictions and probationary terms under ORC 2915.01 *et seq.*
- N. The Attorney General will not consider the facts stated above when issuing charitable bingo licenses to FOE #2801 in the future unless FOE #2801 fails to comply with any provision of this SETTLEMENT AGREEMENT. In that event, the Attorney General may consider the facts giving rise to this SETTLEMENT AGREEMENT when determining whether to issue or deny future bingo licenses to FOE #2801 and may move to revoke, suspend, or deny FOE #2801's Charitable Bingo License or application based on those facts.
- O. FOE #2801 agrees that any evidence of a violation of this SETTLEMENT AGREEMENT shall be *prima facie* evidence of FOE #2801's violation of the applicable laws related to charitable gaming, ORC 2915.01 *et seq.*, ORC 1716.01 *et seq.*, ORC 109.23-.33, or any Ohio Administrative Code rules adopted under any of those code provisions, in any subsequent action or proceeding brought by the Attorney General.
- P. 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 #2801 will discharge the Attorney General from any obligations under the terms of this SETTLEMENT AGREEMENT, but will not discharge FOE #2801 from any obligation it has under this SETTLEMENT AGREEMENT.
- Q. By signing this SETTLEMENT AGREEMENT, the Attorney General is not waiving any rights he has to conduct further investigations of FOE #2801 and to initiate an action against FOE #2801 for further violations of ORC 2915.01 *et seq.*, ORC 1716.01 *et seq.*, ORC 109.23-.33, or any Ohio Administrative Code rules adopted under any of those code provisions.
- R. This SETTLEMENT AGREEMENT may be modified in writing by the Parties. Modifications are at the sole discretion of the Attorney General.
- S. 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.
- T. This SETTLEMENT AGREEMENT supersedes any and all prior agreements between the Parties.
- U. 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:

Fraternal Order of Eagles #2801

FRATERNAL ORDER OF EAGLES 11-15-2023
Date

By: PRESTON COSS (Print Name)

Its: PRESIDENT (Organizational Title)

Preston Coss 11-15-2023
Date

By: Marilyn Wright (Print Name)

Its: Secretary (Organizational Title)

Marilyn Wright 11-15-2023
OHIO ATTORNEY GENERAL, DAVE YOST

By: Daniel W. Fausey 11/27/23
Date
Daniel W. Fausey
Section Chief, Charitable Law Section