



SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is made by and between Loyal Order of Moose, Inc. ("LOOM #501"), located at 3009 S Main Street, Middletown, Ohio 45044 and the Attorney General of Ohio ("Attorney General"), for the purpose of resolving issues regarding LOOM #501's charitable bingo operations. Together, the Attorney General and LOOM #501 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. LOOM #501 is a I.R.C. 501(c)(8) tax exempt organization with the Internal Revenue Service ("IRS"). LOOM #501 is registered with the Attorney General as required under ORC Sections 1716 and 109;
6. LOOM #501 was first issued bingo license no. 0182-38 in 2020;
7. On or about November 20, 2024, LOOM #501 filed a 2025 bingo license application. The Office issued LOOM #501 a 2025 Charitable Bingo License on February 24, 2025 for instant and electronic instant bingo conducted other than at a bingo session;

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8. A Loyal Order of Moose Territory Manager conducted a visit to LOOM 501 for a routine audit of the Lodge's books and finances. During this audit, the Territory Manager noticed payments from Hardin County Genealogy Society on LOOM 501's bank statements, which appeared unusual for a Lodge to receive such a donation. The Territory Manager researched the account and realized these payments were improper.
9. Hardin County Genealogy Society ("Genealogy Society") is an Ohio nonprofit corporation and IRS 501(c)(3) tax-exempt organization and had been the contracted charity for LOOM 501 continuously since at least 2018, and therefore it was contractually entitled to receive the charitable portion of LOOM 501's bingo revenue.
10. The Territory Manager researched the issue and learned that the Genealogy Society had, for years, been returning a portion of its share of LOOM 501's bingo revenue back to LOOM 501.
11. Upon receiving a report of the payments from the Genealogy Society to LOOM 501, the Office conducted an independent investigation ("the Investigation").
12. Kickbacks received from Hardin County Genealogy Society were approximately 75% of each payment sent to this organization, totaling \$104,871.37.
13. These payments were deposited in LOOM 501's general account fund.
14. LOOM #501 has canceled its contract with the Hardin County Genealogy Society for 2025.
15. The Office regards the foregoing conduct as a breach of fiduciary duties under ORC 109.23 and 1716.15. The Office further regards the foregoing conduct as violating ORC 2915.101 and ORC 2915.13.

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

- A. LOOM #501 will pay \$104,871.37 to the Attorney General's Office as restitution to be deposited in accordance with R.C. 109.112 into the AGO Court Order and Settlement Fund for transfer, upon the Attorney General's request, to the Charitable Law Distributions Fund for distribution for charitable purposes at the sole discretion of the Attorney General
- B. LOOM #501 will pay \$3,000.00 to the Attorney General's Office as civil penalties to be deposited in accordance with 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 R.C. 109.32;
- C. LOOM #501 agrees that all individuals listed on the "People" section of the 2026 bingo application shall complete the Attorney General's Charitable University by December 31, 2026, and provide evidence of completion to the Office. This mandate includes all Bingo Records Custodians, Bingo Volunteers, and Instant Bingo Game Operators. Charitable University is a webinar offered at: <https://charitable.ohioago.gov/Charitable-University>.

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- D. LOOM #501 agrees that all individuals listed on the "People" section of the 2026 bingo application shall complete the Attorney General's Bingo School by December 31, 2026, and provide evidence of completion to the Office. This mandate includes all Bingo Records Custodians, Bingo Volunteers, and Instant Bingo Game Operators. To attend Bingo School, you must first register at: <https://charitable.ohioago.gov/Charitable-Bingo/Register-for-Bingo-Training>;
- E. LOOM #501 agrees pursuant to ORC 2915.10 (C) to deposit the gross profit from each bingo session or game described under ORC 2915.01(O)(1) and (2) into a checking account devoted exclusively to the bingo game or session. Additionally, payments for allowable expenses incurred from that bingo game or session must be made by check or electronic funds transfer.
- F. LOOM 501 and all Board Members hereby agree to cooperate with any future investigation related to LOOM #501 or persons and entities involved with LOOM #501, conducted by the Office;
- G. If LOOM #501 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, LOOM #501 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;
- H. LOOM #501 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 LOOM #501's charitable gaming operations;
- I. LOOM #501 agrees to comply with the requirements of ORC 2915 *et seq.*, and any Ohio Administrative Code rules adopted thereunder;
- J. LOOM #501 agrees to comply with the requirements of ORC 1716 *et seq.* (the Ohio Charitable Organizations Act), and any Ohio Administrative Code rules adopted thereunder;
- K. LOOM #501 agrees to comply with the requirements of ORC 109.23-109.33 (the Charitable Trust Act), and any Ohio Administrative Code rules adopted thereunder;
- L. The Attorney General has issued LOOM #501's Bingo License for 2025 and will not consider the facts giving rise to this SETTLEMENT AGREEMENT when issuing charitable bingo licenses to LOOM #501 in the future unless LOOM #501 fails to comply

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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 LOOM #501 and may move to revoke, suspend, deny, place limitations or probationary terms on LOOM #501's Charitable Bingo License or application based on those facts;

- M. LOOM #501 agrees that any evidence of a violation of this SETTLEMENT AGREEMENT shall be *prima facie* evidence of LOOM #501'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;
- N. 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 LOOM #501 will discharge the Attorney General from any obligations under the terms of this SETTLEMENT AGREEMENT, but will not discharge LOOM #501 from any obligation it has under this SETTLEMENT AGREEMENT;
- O. By signing this SETTLEMENT AGREEMENT, the Attorney General is not waiving any rights he has to conduct further investigations of LOOM #501 and to initiate an action against LOOM #501 for further violations of ORC 2915 *et seq.*, ORC 1716 *et seq.*, ORC 109.23-33, or any Ohio Administrative Code rules adopted thereunder;
- P. This SETTLEMENT AGREEMENT may be modified in writing by the parties. Modifications are at the sole discretion of the Attorney General;
- Q. 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;
- R. This SETTLEMENT AGREEMENT supersedes any and all prior agreements between the Parties;
- S. This SETTLEMENT AGREEMENT is a limit, restriction, or probationary condition on LOOM #501's charitable bingo license; and
- T. 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:

LOOM #501

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Gina R. Cresong Date 9-1-26

By: Gina R. Cresong (Print Name)

Its: President (Organizational Title)

Brian A. Michel Date 9/1/2026

By: Brian A. Michel (Print Name)

Its: ADMINISTRATOR / SECRETARY (Organizational Title)

OHIO ATTORNEY GENERAL ANDY WILSON

By:  Date 09/08/26
Daniel W. Fausey
Section Chief, Charitable Law Section