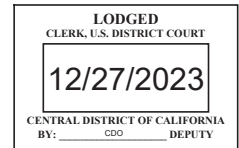
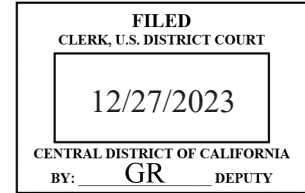


1 E. MARTIN ESTRADA
United States Attorney
2 MACK E. JENKINS
Assistant United States Attorney
3 Chief, Criminal Division
JEFF MITCHELL (Cal. Bar No. 236225)
4 Assistant United States Attorney
Major Frauds Section
5 RACHEL N. AGRESS (Cal. Bar No. 281703)
Assistant United States Attorney
6 International Narcotics, Money Laundering
and Racketeering Section
7 DANIEL G. BOYLE (Cal. Bar No. 332518)
Assistant United States Attorney
8 Environmental Crimes and
Consumer Protection Section
9 1100/1400 United States Courthouse
312 North Spring Street
10 Los Angeles, California 90012
Telephone: (213) 894-0698/0487/2426
11 Facsimile: (213) 894-6269
E-mail: jeff.mitchell@usdoj.gov
12 rachel.agress@usdoj.gov
daniel.boyle2@usdoj.gov
13



14 Attorneys for Plaintiff
UNITED STATES OF AMERICA

15 UNITED STATES DISTRICT COURT

16 FOR THE CENTRAL DISTRICT OF CALIFORNIA

17 UNITED STATES OF AMERICA,

18 Plaintiff,

19 v.

20 SCOTT SIBELLA,

21 Defendant.
22
23

No. CR 2:23-cr-00656-FLA

24 PLEA AGREEMENT FOR DEFENDANT
25 SCOTT SIBELLA

26 1. This constitutes the plea agreement between SCOTT SIBELLA
27 ("defendant") and the United States Attorney's Office for the Central
28 District of California (the "USAO") in the investigation of
defendant's conduct described in the agreed-to factual basis set
forth in Attachment A below. This agreement is limited to the USAO

1 and cannot bind any other federal, state, local, or foreign
2 prosecuting, enforcement, administrative, or regulatory authorities.

3 DEFENDANT'S OBLIGATIONS

4 2. Defendant agrees to:

5 a. Give up the right to indictment by a grand jury and,
6 at the earliest opportunity requested by the USAO and provided by the
7 Court, appear and plead guilty to a single-count information in the
8 form attached to this agreement as Exhibit A or a substantially
9 similar form, which charges defendant with failure to file reports of
10 suspicious transactions required to be made by casinos, relevant to
11 possible violations of law and regulation, and causing the commission
12 of the same, in violation of 31 U.S.C. § 5318, 5322(a), 31 C.F.R.
13 § 1021.320 and 18 U.S.C. § 2(b).

14 b. Not contest facts agreed to in this agreement.

15 c. Abide by all agreements regarding sentencing contained
16 in this agreement.

17 d. Appear for all court appearances, surrender as ordered
18 for service of sentence, obey all conditions of any bond, and obey
19 any other ongoing court order in this matter.

20 e. Not commit any crime; however, offenses that would be
21 excluded for sentencing purposes under United States Sentencing
22 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
23 within the scope of this agreement.

24 f. Be truthful at all times with the United States
25 Probation and Pretrial Services Office and the Court.

26 g. Pay the applicable special assessment at or before the
27 time of sentencing unless defendant has demonstrated a lack of
28 ability to pay such assessments.

1 h. Recommend that defendant receive, as part of his
2 sentence, a fine in an amount no less than the high end of the
3 applicable Sentencing Guidelines range and not argue, or suggest in
4 any way, either orally or in writing, that a lower fine amount be
5 imposed. For purposes of this agreement, the high end of the
6 Sentencing Guidelines range is that defined by the Sentencing Table
7 in U.S.S.G. Chapter 5, Part E.

8 THE USAO'S OBLIGATIONS

9 3. The USAO agrees to:

10 a. Not contest facts agreed to in this agreement.

11 b. Abide by all agreements regarding sentencing contained
12 in this agreement.

13 c. At the time of sentencing, provided that defendant
14 demonstrates an acceptance of responsibility for the offense up to
15 and including the time of sentencing, recommend a two-level reduction
16 in the applicable Sentencing Guidelines offense level, pursuant to
17 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an
18 additional one-level reduction if available under that section.

19 d. Except for criminal tax violations (including
20 conspiracy to commit such violations chargeable under 18 U.S.C.
21 § 371), not further criminally prosecute defendant for violations of
22 18 U.S.C. §§ 1956, 1957; and 31 U.S.C. § 5318, 5322(a) arising out of
23 defendant's conduct described in the agreed-to factual basis set
24 forth in Attachment A below for the time periods of 2017 through
25 September 15, 2023. Defendant understands that the USAO is free to
26 criminally prosecute defendant for any other unlawful past conduct or
27 any unlawful conduct that occurs after the date of this agreement.
28 Defendant agrees that at the time of sentencing the Court may

1 consider the uncharged conduct in determining the applicable
2 Sentencing Guidelines range, the propriety and extent of any
3 departure from that range, and the sentence to be imposed after
4 consideration of the Sentencing Guidelines and all other relevant
5 factors under 18 U.S.C. § 3553(a).

6 NATURE OF THE OFFENSE

7 4. Defendant understands that for defendant to be guilty of
8 the crime charged in the single-count Information, that is, failure
9 to file and causing a casino to fail to file reports of suspicious
10 transactions required to be made by casinos, in violation of Title
11 31, United States Code, Sections 5318(g) and 5322(a), and regulations
12 issued thereunder, to wit: Title 31, Code of Federal Regulations,
13 Section 1021.320, the following must be true:

14 a. The defendant was a director, officer, employee, or
15 agent of a financial institution, within the meaning of the Bank
16 Secrecy Act, Title 31, United States Code, Section 5312(a)(2)(x);

17 b. The defendant knew that defendant and his financial
18 institution were required to file reports with the Financial Crimes
19 Enforcement Network ("FinCEN"), a bureau of the Department of the
20 Treasury, of suspicious transactions relevant to possible violations
21 of law or regulation;

22 c. The defendant had knowledge of a suspicious
23 transaction relevant to possible violations of law or regulation
24 conducted at the financial institution at which he worked; and

25 d. The defendant willfully failed to file a report of the
26 suspicious transaction with FinCEN or caused his financial
27 institution to fail to file a report of the suspicious transaction.

28

PENALTIES

1
2 5. Defendant understands that the statutory maximum sentence
3 that the Court can impose for a violation of Title 31, United States
4 Code, Sections 5318(g) and 5322(a), is: five years' imprisonment; a
5 three-year period of supervised release; a five-year period of
6 probation; a fine of \$250,000 or twice the gross gain or gross loss
7 resulting from the offense, whichever is greatest; and a mandatory
8 special assessment of \$100.

9 6. Defendant understands that supervised release is a period
10 of time following imprisonment during which defendant will be subject
11 to various restrictions and requirements. Defendant understands that
12 if defendant violates one or more of the conditions of any supervised
13 release imposed, defendant may be returned to prison for all or part
14 of the term of supervised release authorized by statute for the
15 offense that resulted in the term of supervised release, which could
16 result in defendant serving a total term of imprisonment greater than
17 the statutory maximum stated above.

18 7. Defendant understands that, by pleading guilty, defendant
19 may be giving up valuable government benefits and valuable civic
20 rights, such as the right to vote, the right to possess a firearm,
21 the right to hold office, and the right to serve on a jury. Defendant
22 understands that he is pleading guilty to a felony and that it is a
23 federal crime for a convicted felon to possess a firearm or
24 ammunition. Defendant understands that the conviction in this case
25 may also subject defendant to various other collateral consequences,
26 including but not limited to revocation of probation, parole, or
27 supervised release in another case and suspension or revocation of a
28 professional license. Defendant understands that unanticipated

1 collateral consequences will not serve as grounds to withdraw
2 defendant's guilty plea.

3 8. Defendant understands that, if defendant is not a United
4 States citizen, the felony conviction in this case may subject
5 defendant to: removal, also known as deportation, which may, under
6 some circumstances, be mandatory; denial of citizenship; and denial
7 of admission to the United States in the future. The Court cannot,
8 and defendant's attorney also may not be able to, advise defendant
9 fully regarding the immigration consequences of the felony conviction
10 in this case. Defendant understands that unexpected immigration
11 consequences will not serve as grounds to withdraw defendant's guilty
12 plea.

13 FACTUAL BASIS

14 9. Defendant admits that defendant is, in fact, guilty of the
15 offense to which defendant is agreeing to plead guilty. Defendant
16 and the USAO agree to the statement of facts provided for in
17 Attachment A, attached hereto, and agree that this statement of facts
18 is sufficient to support a plea of guilty to the charge described in
19 this agreement and to establish the Sentencing Guidelines factors set
20 forth in paragraph 11 below but is not meant to be a complete
21 recitation of all facts relevant to the underlying criminal conduct
22 or all facts known to either party that relate to that conduct.

23 SENTENCING FACTORS

24 10. Defendant understands that in determining defendant's
25 sentence the Court is required to calculate the applicable Sentencing
26 Guidelines range and to consider that range, possible departures
27 under the Sentencing Guidelines, and the other sentencing factors set
28 forth in 18 U.S.C. § 3553(a). Defendant understands that the

1 Sentencing Guidelines are advisory only, that defendant cannot have
2 any expectation of receiving a sentence within the calculated
3 Sentencing Guidelines range, and that after considering the
4 Sentencing Guidelines and the other § 3553(a) factors, the Court will
5 be free to exercise its discretion to impose any sentence it finds
6 appropriate up to the maximum set by statute for the crime of
7 conviction.

8 11. Defendant and the USAO agree to the following applicable
9 Sentencing Guidelines factors:

10 Base Offense Level: 8 U.S.S.G. § 2S1.3(a)(1)

11 Specific Offense
12 Characteristics:

13 Proceeds of unlawful activity +2 U.S.S.G. § 2S1.3 (b) (1)

14 Defendant and the USAO reserve the right to argue that additional
15 specific offense characteristics, adjustments, and departures under
16 the Sentencing Guidelines are appropriate.

17 12. Defendant understands that there is no agreement as to
18 defendant's criminal history or criminal history category.

19 13. Defendant and the USAO reserve the right to argue for a
20 sentence outside the sentencing range established by the Sentencing
21 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
22 (a)(2), (a)(3), (a)(6), and (a)(7).

23 WAIVER OF CONSTITUTIONAL RIGHTS

24 14. Defendant understands that by pleading guilty, defendant
25 gives up the following rights:

26 a. The right to persist in a plea of not guilty.

27 b. The right to a speedy and public trial by jury.

1 c. The right to be represented by counsel -- and if
2 necessary have the Court appoint counsel -- at trial. Defendant
3 understands, however, that, defendant retains the right to be
4 represented by counsel -- and if necessary have the Court appoint
5 counsel -- at every other stage of the proceeding.

6 d. The right to be presumed innocent and to have the
7 burden of proof placed on the government to prove defendant guilty
8 beyond a reasonable doubt.

9 e. The right to confront and cross-examine witnesses
10 against defendant.

11 f. The right to testify and to present evidence in
12 opposition to the charges, including the right to compel the
13 attendance of witnesses to testify.

14 g. The right not to be compelled to testify, and, if
15 defendant chose not to testify or present evidence, to have that
16 choice not be used against defendant.

17 h. Any and all rights to pursue any affirmative defenses,
18 Fourth Amendment or Fifth Amendment claims, and other pretrial
19 motions that have been filed or could be filed.

20 WAIVER OF VENUE

21 15. Having been fully advised by defendant's attorney regarding
22 the requirements of venue with respect to the offense to which
23 defendant is pleading guilty, to the extent the offense to which
24 defendant is pleading guilty were committed, begun, or completed
25 outside the Central District of California, defendant knowingly,
26 voluntarily, and intelligently waives, relinquishes, and gives up:
27 (a) any right that defendant might have to be prosecuted only in the
28 district where the offense to which defendant is pleading guilty were

1 committed, begun, or completed; and (b) any defense, claim, or
2 argument defendant could raise or assert based upon lack of venue
3 with respect to the offense to which defendant is pleading guilty.

4 WAIVER OF STATUTE OF LIMITATIONS

5 16. Having been fully advised by defendant's attorney regarding
6 application of the statute of limitations to the offense to which
7 defendant is pleading guilty, defendant hereby knowingly,
8 voluntarily, and intelligently waives, relinquishes, and gives up:
9 (a) any right that defendant might have not to be prosecuted for the
10 offense to which defendant is pleading guilty because of the
11 expiration of the statute of limitations for that offense prior to
12 the filing of the information alleging that offense; and (b) any
13 defense, claim, or argument defendant could raise or assert that
14 prosecution of the offense to which defendant is pleading guilty is
15 barred by the expiration of the applicable statute of limitations,
16 pre-indictment delay, or any speedy trial violation.

17 WAIVER OF APPEAL OF CONVICTION

18 17. Defendant understands that, with the exception of an appeal
19 based on a claim that defendant's guilty plea was involuntary, by
20 pleading guilty defendant is waiving and giving up any right to
21 appeal defendant's conviction on the offense to which defendant is
22 pleading guilty. Defendant understands that this waiver includes,
23 but is not limited to, arguments that the statute to which defendant
24 is pleading guilty is unconstitutional, and any and all claims that
25 the statement of facts provided herein is insufficient to support
26 defendant's plea of guilty.

1 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE AND COLLATERAL ATTACK

2 18. Defendant agrees that, provided the Court imposes a term of
3 imprisonment within or below the range corresponding to an offense
4 level of 8 and the criminal history category calculated by the Court,
5 defendant gives up the right to appeal all of the following: (a) the
6 procedures and calculations used to determine and impose any portion
7 of the sentence; (b) the term of imprisonment imposed by the Court;
8 (c) the fine imposed by the Court, provided it is within the
9 statutory maximum; (d) to the extent permitted by law, the
10 constitutionality or legality of defendant's sentence, provided it is
11 within the statutory maximum; (e) the term of probation or supervised
12 release imposed by the Court, provided it is within the statutory
13 maximum; and (f) any of the following conditions of probation or
14 supervised release imposed by the Court: the conditions set forth in
15 Second Amended General Order 20-04 of this Court; the drug testing
16 conditions mandated by 18 U.S.C. §§ 3563(a) (5) and 3583(d); and the
17 alcohol and drug use conditions authorized by 18 U.S.C. § 3563(b) (7).

18 19. The USAO agrees that, provided (a) all portions of the
19 sentence are at or below the statutory maximum specified above and
20 (b) the Court imposes a term of imprisonment within or above the
21 range corresponding to an offense level of 8 and the criminal history
22 category calculated by the Court, the USAO gives up its right to
23 appeal any portion of the sentence.

24 20. Defendant also gives up any right to bring a post-
25 conviction collateral attack on the conviction or sentence, except a
26 post-conviction collateral attack based on a claim of ineffective
27 assistance of counsel, a claim of newly discovered evidence, or an
28 explicitly retroactive change in the applicable Sentencing

1 Guidelines, sentencing statutes, or statutes of conviction.
2 Defendant understands that this waiver includes, but is not limited
3 to, arguments that the statutes and regulations to which defendant is
4 pleading guilty are unconstitutional, and any and all claims that the
5 statement of facts provided herein is insufficient to support
6 defendant's plea of guilty.

7 RESULT OF WITHDRAWAL OF GUILTY PLEA

8 21. Defendant agrees that if, after entering a guilty plea
9 pursuant to this agreement, defendant seeks to withdraw and succeeds
10 in withdrawing defendant's guilty plea on any basis other than a
11 claim and finding that entry into this plea agreement was
12 involuntary, then (a) the USAO will be relieved of all of its
13 obligations under this agreement; and (b) should the USAO choose to
14 pursue any charge or any civil, administrative, or regulatory action
15 that was either dismissed or not filed as a result of this agreement,
16 then (i) any applicable statute of limitations will be tolled between
17 the date of defendant's signing of this agreement and the filing
18 commencing any such action; and (ii) defendant waives and gives up
19 all defenses based on the statute of limitations, any claim of pre-
20 indictment delay, or any speedy trial claim with respect to any such
21 action, except to the extent that such defenses existed as of the
22 date of defendant's signing this agreement.

23 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

24 22. Defendant agrees that if the count of conviction is
25 vacated, reversed, or set aside, both the USAO and defendant will be
26 released from all their obligations under this agreement.

1 extent that such defenses existed as of the date of defendant's
2 signing this agreement.

3 c. Defendant agrees that: (i) any statements made by
4 defendant, under oath, at the guilty plea hearing (if such a hearing
5 occurred prior to the breach); (ii) the agreed to factual basis
6 statement in this agreement; and (iii) any evidence derived from such
7 statements, shall be admissible against defendant in any such action
8 against defendant, and defendant waives and gives up any claim under
9 the United States Constitution, any statute, Rule 410 of the Federal
10 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal
11 Procedure, or any other federal rule, that the statements or any
12 evidence derived from the statements should be suppressed or are
13 inadmissible.

14 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

15 OFFICE NOT PARTIES

16 26. Defendant understands that the Court and the United States
17 Probation and Pretrial Services Office are not parties to this
18 agreement and need not accept any of the USAO's sentencing
19 recommendations or the parties' agreements to facts or sentencing
20 factors.

21 27. Defendant understands that both defendant and the USAO are
22 free to: (a) supplement the facts by supplying relevant information
23 to the United States Probation and Pretrial Services Office and the
24 Court, (b) correct any and all factual misstatements relating to the
25 Court's Sentencing Guidelines calculations and determination of
26 sentence, and (c) argue on appeal and collateral review that the
27 Court's Sentencing Guidelines calculations and the sentence it
28 chooses to impose are not error, although each party agrees to

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PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

30. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF
CALIFORNIA

E. MARTIN ESTRADA
United States Attorney

/s/ Jeff Mitchell 12/26/2023
Date
JEFF MITCHELL
RACHEL N. AGRESS
DANIEL G. BOYLE
Assistant United States Attorneys

 12/18/23
Date
SCOTT SIBELLA
Defendant

 12/18/2023
Date
JEFFREY H. RUTHERFORD
Kendall Brill & Kelly LLP

JOHN V. SPILOTRO
The Law Office Of
John V. Spilotro, Esq.
Attorneys for Defendant
SCOTT SIBELLA

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has

1 advised me of my rights, of possible pretrial motions that might be
2 filed, of possible defenses that might be asserted either prior to or
3 at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a),
4 of relevant Sentencing Guidelines provisions, and of the consequences
5 of entering into this agreement. No promises, inducements, or
6 representations of any kind have been made to me other than those
7 contained in this agreement. No one has threatened or forced me in
8 any way to enter into this agreement. I am satisfied with the
9 representation of my attorney in this matter, and I am pleading
10 guilty because I am guilty of the charge and wish to take advantage
11 of the promises set forth in this agreement, and not for any other
12 reason.

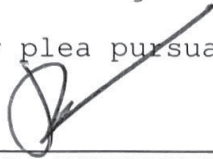
13 
14 SCOTT SIBELLA
15 Defendant

12/18/23
Date

16
17 CERTIFICATION OF DEFENDANT'S ATTORNEY

18 I am SCOTT SIBELLA's attorney. I have carefully and thoroughly
19 discussed every part of this agreement with my client. Further, I
20 have fully advised my client of his rights, of possible pretrial
21 motions that might be filed, of possible defenses that might be
22 asserted either prior to or at trial, of the sentencing factors set
23 forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
24 provisions, and of the consequences of entering into this agreement.
25 To my knowledge: no promises, inducements, or representations of any
26 kind have been made to my client other than those contained in this
27 agreement; no one has threatened or forced my client in any way to
28 enter into this agreement; my client's decision to enter into this

1 agreement is an informed and voluntary one; and the factual basis set
2 forth in this agreement is sufficient to support my client's entry of
3 a guilty plea pursuant to this agreement.



4
5 _____
6 JEFFREY H. RUTHERFORD
7 Kendall Brill & Kelly LLP

12/18/2023
8 _____
9 Date

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Attorneys for Defendant
SCOTT SIBELLA

Attachment A

Statement of Facts

The following Statement of Facts is incorporated by reference as part of the Agreement dated December 7, 2023, between the USAO and defendant SCOTT SIBELLA. The USAO and defendant SCOTT SIBELLA agree that the following facts are true and correct.

At times relevant to this Agreement:

I. Background - Scott Sibella

1. MGM Grand, Las Vegas ("MGM Grand") was a limited liability corporation headquartered in and organized under the laws of the State of Nevada and operated as a Nevada casino licensed and regulated by the Nevada Gaming Control Board, in Las Vegas, Nevada. The Mirage, Aria, and Bellagio were among a number of hotels and casinos affiliated with MGM Grand that were located in Las Vegas, Nevada.

2. Defendant SIBELLA was employed as the President of MGM Grand until February 2019.

3. At MGM Grand, the Mirage, Aria, and the Bellagio, money was exchanged for chips at the casino cages or at the gaming tables. Casino chips were small discs used as currency in casinos for gaming purposes. To obtain casino chips, customers could present the casino money in the form of cash, cashiers' checks, and wire transfers. In addition, the casinos provided chips to some customers based on credit, i.e., a "marker." When a customer wished to obtain chips on credit, the casino's credit department would run a background

check on the customer, which would include obtaining credit reports, calling banks and obtaining banking information, conducting public record searches, contacting marketing hosts, asking customers to self-identify their occupation and/or business position, and contacting unaffiliated casinos to determine the credit worthiness of the customer. Money owed on markers could be paid in the form of cash, money orders, cashier's checks, wire transfers, personal checks, or business checks.

II. The Bank Secrecy Act and MGM Grand's Anti-Money Laundering Compliance Program

4. The Bank Secrecy Act ("BSA"), codified at Title 31, United States Code §§ 5313-5326, as implemented through related federal regulations, was enacted by Congress to address criminal money laundering activities utilizing financial institutions.

5. Title 31, United States Code, Section 5318(g), and related regulations, required financial institutions, including casinos, to file with the Department of the Treasury a "Suspicious Activity Report" ("SAR") for any transaction conducted through the casino that involved at least \$5,000 in funds, and the casino knew, suspected, or had reason to suspect that the transaction (or a pattern of transactions of which the transaction was a part): (i) involved funds derived from illegal activity or was intended or conducted in order to hide or disguise funds or assets derived from illegal activity as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting requirement under federal law

or regulation; (ii) was designed, whether through structuring or other means, to evade any regulations promulgated under the BSA; (iii) had no business or apparent lawful purpose or was not the sort in which the particular customer would normally be expected to engage, and the casino knew of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction; or (iv) involved use of the casino to facilitate criminal activity.

6. SARs were to be filed with the Financial Crimes Enforcement Network ("FinCEN"), a bureau of the Department of the Treasury.

7. As a licensed gaming establishment with an annual gaming revenue of more than \$1,000,000, MGM Grand was a "financial institution" within the meaning of the BSA, Title 31, United States Code, Section 5312(a)(2)(x), and required to file SARs with FinCEN. MGM Grand's parent company maintained an anti-money laundering compliance program ("AML Compliance Program") and compliance team that covered MGM Grand and affiliated U.S. properties, including The Mirage, Aria and the Bellagio, and was responsible for developing written policies, training, and monitoring of the generation and reporting of SARs.

III. Wayne Nix

8. Wayne Nix was a resident of Orange County, California. From sometime before August 2017 until sometime after February 2019, Nix operated an illegal bookmaking business within the Central District of California and elsewhere that accepted and paid off bets from bettors in

California and elsewhere in the United States on the outcomes of sporting events at agreed-upon odds (the "Nix Gambling Business").

IV. SIBELLA Allowed Nix to Continue to Gamble at the MGM Grand and Its Affiliated Casinos

9. Nix was assigned two marketing hosts, Host A and Host B. The hosts were Nix's primary points of contact at the casino and other affiliated properties.

10. From an unknown date, but no later than approximately August 2017 through February 2019, defendant SIBELLA was aware that Nix engaged in illegal bookmaking by taking bets on sporting events and continued to allow Nix to gamble at MGM Grand and/or other affiliate properties. Not only did defendant SIBELLA and the two hosts continue to allow Nix to gamble at the casino and/or at other affiliate properties, but they would authorize Nix to receive complimentary benefits at the casino, including meals, room, board, and golf trips with senior executives and other high net-worth customers of the casinos to further encourage Nix to patronize the casino and/or other affiliated properties.

11. Defendant SIBELLA suspected that certain customers of MGM Grand and/or of affiliated properties placed large bets with the Nix Gambling Business. For example:

a. On or about November 15, 2018, via telephone, Nix told one his agents ("Agent 1") that Nix was unhappy with certain clients of the Nix Gambling Business. On that call, defendant SIBELLA reminded Nix that he had told Nix to stay

away from one of those clients. During that same call, Nix told defendant SIBELLA that Nix was going to "square up with MGM," and that MGM Grand and its affiliates were "up a Bentley" on Nix. Defendant SIBELLA knew that Nix was gambling at MGM Grand and its affiliates, and transacting in amounts over \$5,000. On that same call Nix also informed defendant SIBELLA that another significant client of both the Nix Gambling Business and MGM Grand was unhappy with MGM Grand's accommodations, and defendant SIBELLA asked Nix to "find out what happened" and to see if it was "over discounts," so defendant SIBELLA could "look into it."

b. On or about January 29, 2019, via telephone, Nix told defendant SIBELLA that an individual known to defendant SIBELLA had placed a \$5 million bet on the Super Bowl with Nix.

12. From approximately May 2018 until his departure in February 2019, defendant SIBELLA approved qualified complimentary rooms, food service, and event tickets for Nix at the MGM Grand and recommended that Nix be invited on marketing trips for the purpose of encouraging Nix to gamble at MGM Grand and its affiliates, some of which were referred to as "Undercover Weekends" due to defendant SIBELLA's prior appearance on a reality television show called Undercover Boss. For example:

August 2017: Scott Sibella Undercover Weekend Event

a. Between on or about August 23, 2017, and August 25, 2017, Nix attended a Scott Sibella Undercover Weekend

event, which was organized by casino marketing and hosted by defendant SIBELLA.

b. Between on or about August 23, 2017, and August 28, 2017, Nix gambled at The Mirage and MGM Grand.

May 2018: Nix's Hotel Room Reserved by Defendant SIBELLA

c. On or about May 16, 2018, defendant SIBELLA's complimentary benefits authorization was used to reserve a VIP hotel suite for Nix at MGM Grand for a stay beginning on May 20, 2018.

d. Between on or about May 20, 2018, and May 23, 2018, Nix gambled at MGM Grand.

June 2018: Scott Sibella Undercover Weekend Event

e. On or about April 18, 2018, via e-mail, defendant SIBELLA recommended that Nix be invited to attend a Scott Sibella Undercover Weekend event, which was scheduled for June 27 through June 29, 2018.

f. Between on or about June 27 and June 29, 2018, Nix attended a Scott Sibella Undercover Weekend event, which was organized by casino marketing and hosted by defendant SIBELLA.

g. Between on or about June 27, 2018, and June 30, 2018, Nix gambled at The Mirage and Aria.

July 2018: Nix's Gambling Trip with Defendant SIBELLA's Complimentary Items

h. Between on or about July 27, 2018, and July 30, 2018, defendant SIBELLA approved complimentary food, beverages, hotel rooms at MGM Grand and spa services for Nix.

i. Between on or about July 27, 2018, and July 30, 2018, Nix gambled at MGM Grand and Aria.

j. On or about July 27, 2018, Nix made a cash payment of \$120,000 to MGM Grand to pay a marker he owed to the casino. Defendant SIBELLA deliberately avoided learning how Nix paid his marker, namely, that Nix made a cash payment of over \$5,000 to MGM Grand on or around July 27, 2018, in order to continue to gamble at the casino.

k. On August 1, 2018, via email, defendant SIBELLA received a summary of Nix's play and complimentary items.

August 2018: Nix's Gambling Trip to Las Vegas

l. Between on or about August 26, 2018, and August 29, 2018, Nix gambled at MGM Grand, The Mirage, and Aria.

m. On or about August 27, 2018, defendant SIBELLA approved a complimentary limousine for Nix.

November 2018: Scott Sibella Undercover Weekend Event

n. Between on or about November 27 and November 29, 2017, Nix attended a Scott Sibella Undercover Weekend event in Palm Springs, California, which was organized by casino marketing and hosted by defendant SIBELLA.

V. Defendant SIBELLA's Failure to Report Nix's Suspicious Activity to MGM Grand's Compliance Personnel Caused MGM Grand to Fail to File a SAR Regarding Nix's Source of Funds

13. Under the AML Compliance Program, MGM Grand's employees on the business and marketing side were responsible for affirmatively reaching out to the compliance team in the

event they observed suspicious activity. Specifically, MGM Grand's parent company's AML Compliance Policy during the 2017 to 2019 period required that when an officer, employee, or agent of MGM Grand determined that a possible suspicious transaction had occurred, that individual was to complete either "a Suspicious Activity Incident Report, or a Suspicious Activity Report."

14. Defendant SIBELLA received trainings on the AML Compliance Policy in at least 2010 and 2014. Defendant SIBELLA knew of the reporting requirements and the duty of someone in his position to report suspicious activity. Also, when he was interviewed by law enforcement on January 10, 2022, defendant SIBELLA admitted that he believed Nix was involved in illegal sports bookmaking. Specifically, defendant SIBELLA admitted that he had "heard that Nix was in the booking business" and he "couldn't figure out how he had all the money he gambled with." Defendant SIBELLA further admitted "I didn't want to know because of my position, . . . in this business, they [bookies] are a dime a dozen. . . I stay out of it. If we know, we can't allow them to gamble. . . I didn't ask, I didn't want to know I guess because he wasn't doing anything to cheat the casino."

15. Despite being trained and having knowledge of his duty to do so, between approximately August 2017 and February 2019, defendant SIBELLA failed to report to MGM compliance personnel that Nix was an illegal sports bookmaker.

16. Because of defendant SIBELLA's failure to report any suspicious activity by Nix to MGM Grand's parent's AML

compliance personnel, MGM Grand failed to file at least one SAR regarding Nix's Source of Funds and his illegal sports bookmaking in relation to Nix's cash payments to MGM Grand, including a cash payment of over \$5,000 on or about July 27, 2018.

EXHIBIT A

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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

SCOTT SIBELLA,

Defendant.

CR No.

I N F O R M A T I O N

[31 U.S.C. § 5318, 5322(a), 31
C.F.R. § 1021.320 for: Failure
to File Report of Suspicious
Transaction Required to be Made
by Casinos]

The United States Attorney charges:

[31 U.S.C. §§ 5318(g), 5322(a); 31 C.F.R. § 1021.320;
18 U.S.C. § 2(b)]

On or about July 27, 2018, within the Central District of California, and elsewhere, the defendant SCOTT SIBELLA, together with others, did willfully fail to file, and willfully caused MGM Grand Las Vegas ("MGM Grand") to fail to file, with the United States Department of the Treasury, a report of a suspicious transaction relevant to possible violations of law and regulation, contrary to Title 31, United States Code, Sections 5318(g), 5322(a), and

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1 regulations issued thereunder, to wit, Title 31, Code of Federal
2 Regulations, Section 1021.320, namely, the presentation of \$120,000
3 in cash by Wayne Nix to MGM Grand.

4
5 E. MARTIN ESTRADA
6 United States Attorney

7
8 MACK E. JENKINS
9 Assistant United States Attorney
Chief, Criminal Division

10 RANEE A. KATZENSTEIN
11 Assistant United States Attorney
Chief, Major Frauds Section

12 SCOTT PAETTY
13 Assistant United States Attorney
Deputy Chief, Major Frauds Section

14 JEFF MITCHELL
15 Assistant United States Attorney
Major Frauds Section

16 RACHEL N. AGRESS
17 Assistant United States Attorney
18 International Narcotics, Money
Laundering
and Racketeering Section
19 Bank Secrecy Act Coordinator

20 DAN G. BOYLE
21 Assistant United States Attorney
Environmental Crimes and
Consumer Protection Section