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**STATE OF NEVADA**

5

**BEFORE THE NEVADA GAMING COMMISSION**

6

NEVADA GAMING CONTROL BOARD,

7

Complainant,

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vs.

**COMPLAINT**

9

SCOTT MARTIN SIBELLA,

10

Respondent.

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The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD (BOARD), Complainant herein, by and through its counsel, AARON D. FORD, Attorney General, and MICHAEL P. SOMPS, Senior Deputy Attorney General, hereby files this Complaint before the Nevada Gaming Commission (Commission) for disciplinary action against Respondent, SCOTT MARTIN SIBELLA (SIBELLA), pursuant to Nevada Revised Statute (NRS) 463.310(2), and alleges as follows:

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**JURISDICTION**

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1. Complainant, BOARD, is an administrative agency of the State of Nevada duly organized and existing under and by virtue of Chapter 463 of NRS and is charged with the administration and enforcement of the gaming laws of this State as set forth in Title 41 of NRS (Nevada Gaming Control Act) and the Regulations of the Commission.

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2. On or about March 17, 2022, following one-year limited approvals, SIBELLA was, and continues to be, licensed by the Commission as President of Resorts World Las Vegas, LLC, which holds a nonrestricted gaming license, and found suitable by the Commission as President and Director of Genting Assets, Inc.

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3. SIBELLA was previously licensed by the Commission on or about February 24, 2011, as President and Chief Operating Officer of MGM Grand Hotel, LLC (MGM

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1 Grand), a nonrestricted gaming licensee and subsidiary of MGM Resorts International  
2 (MGMRI), where he held those positions until his departure in 2019.

3 **RELEVANT LAW**

4 4. The Nevada Legislature set forth the importance of the gaming industry to  
5 the State of Nevada and its responsibility to the State's inhabitants in NRS 463.0129. The  
6 Legislature specifically set out that the continued growth and success of gaming is  
7 dependent on public confidence and trust and that such public confidence and trust "can  
8 only be maintained by strict regulation of all persons, locations, practices, associations and  
9 activities related to the operation of licensed gaming establishments..." See NRS 463.0129.

10 5. To ensure proper oversight and control over the gaming industry, the Nevada  
11 Legislature has granted the Commission "full and absolute power and authority to . . . limit,  
12 condition, restrict, revoke, or suspend any license . . . or fine any person licensed . . . for any  
13 cause deemed reasonable by the Commission." See NRS 463.1405(4).

14 6. The BOARD is statutorily charged with determining whether a violation of  
15 the Gaming Control Act has occurred. See NRS 463.310(1). If the BOARD is satisfied that  
16 discipline is warranted, it shall initiate disciplinary action by filing a complaint with the  
17 Commission. See NRS 463.310(2).

18 7. The BOARD is authorized to observe the conduct of licensees to ensure that  
19 gaming operations are not being operated in an unsuitable manner or by an unqualified or  
20 unsuitable person. See NRS 463.1405(1) and Commission Regulation 5.040.

21 8. A person approved by the Commission has an ongoing obligation to meet the  
22 standards required to obtain such approval including, without limitation, to be a person of  
23 good character, honesty, and integrity and to refrain from activities and associations which  
24 may impact the interests of Nevada, the regulation of gaming, or the reputation of gaming  
25 in Nevada. Further, failure to continue to meet such applicable standards and  
26 qualifications constitutes grounds for discipline. See NRS 463.170.

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1 9. Commission Regulation 5.011(1) provides in relevant part the following:

2 The Board and the Commission deem any activity on the  
3 part of a licensee, registrant, or person found suitable by the  
4 Commission, or an agent or employee thereof, that is inimical to  
5 the public health, safety, morals, good order, or general welfare of  
6 the people of the State of Nevada, or that would reflect or tend to  
7 reflect discredit upon the State of Nevada or the gaming industry,  
8 to be an unsuitable method of operation and shall be grounds for  
disciplinary action by the Board and the Commission in  
accordance with the Nevada Gaming Control Act and the  
regulations of the Commission. The following acts or omissions,  
without limitation, may be determined to be unsuitable methods  
of operation:

9 (a) Failure to exercise discretion and sound judgment to  
10 prevent incidents which might reflect on the repute of the State  
11 of Nevada and act as a detriment to the development of the  
12 industry.

13 . . . .

14 (e) Catering to, assisting, employing, or associating with,  
15 either socially or in business affairs, persons of notorious or  
16 unsavory reputation or who have extensive police records, or  
17 persons who have defied congressional investigative committees,  
18 or other officially constituted bodies acting on behalf of the United  
19 States, or any state or jurisdiction of the United States, or persons  
20 who are associated with or support subversive movements, or the  
21 employing either directly or through a contract, or any other  
22 means, of any firm or individual in any capacity where the repute  
23 of the State of Nevada or the gaming industry is liable to be  
24 damaged because of the unsuitability of the firm or individual or  
25 because of the unethical methods of operation of the firm or  
26 individual.

27 . . . .

28 (h) Failure to comply with or make provision for  
compliance with all federal, state, or local laws and regulations  
and with all conditions and limitations approved by the  
Commission relating to the operations of a licensed gaming  
establishment or other gaming business . . .

. . . .

(k) Failure to conduct gaming operations in accordance  
with proper standards of custom, decorum, and decency, or permit  
a type of conduct in a gaming establishment that reflects or tends  
to reflect on the repute of the State of Nevada and act as a  
detriment to the gaming industry.

. . . .

Nev. Gaming Comm'n Reg. 5.011(1)(a), (e), (h), and (k).



1           15. While jurisdiction and control of the regulation of cash transactions,  
2 suspicious activity reporting, and anti-money laundering programs was reverted to the  
3 U.S. Department of the Treasury, the Commission and the BOARD remain concerned with  
4 the issues addressed by former regulation 6A as it relates to cash transactions, suspicious  
5 activity reporting, and anti-money laundering programs.

6           16. Although Nevada no longer directly regulates cash transactions, suspicious  
7 activity reporting, and anti-money laundering programs, when federal entities find  
8 violations related to these activities by a licensee or any person holding a Nevada gaming  
9 approval, it reflects or tends to reflect poorly on the reputation of gaming in the State of  
10 Nevada and/or acts as a detriment to the development of the gaming industry and/or  
11 reflects or tends to reflect discredit upon the State of Nevada or the gaming industry.

12           17. As part of the Bank Secrecy Act, 31 U.S.C. § 5318(g) provides in general that  
13 the U.S. Secretary of Treasury may require any financial institution, which includes  
14 gaming establishments with annual gaming revenue of more than \$1,000,000, and any  
15 director, officer, employee, or agent of any financial institution, to report any suspicious  
16 transaction relevant to a possible violation of law or regulation.

17           18. 31 U.S.C. § 5322(a) provides that a person willfully violating 31 U.S.C.  
18 Subchapter II or its regulations shall be fined not more than \$250,000, or imprisoned for  
19 not more than 5 years, or both.

20           19. 31 C.F.R. § 1021.320 pertains to the requirement to file suspicious transaction  
21 reports with FinCEN for any transaction conducted through a casino that involved at least  
22 \$5,000, and the casino knew, suspected, or had reason to suspect that the transaction (or a  
23 pattern of transactions of which the transaction is a part): (i) involved funds derived from  
24 illegal activity or was intended or conducted in order to hide or disguise funds or assets  
25 derived from illegal activity as part of a plan to violate or evade any federal law or  
26 regulation or to avoid any transaction reporting requirement under federal law or  
27 regulation; (ii) was designed, whether through structuring or other means, to evade any  
28 requirements of this chapter or of any other regulations promulgated under the Bank

1 Secrecy Act; (iii) had no business or apparent lawful purpose or was not the sort in which  
2 the particular customer would normally be expected to engage, and the casino knew of no  
3 reasonable explanation for the transaction after examining the available facts, including  
4 the background and possible purpose of the transaction; or (iv) involves use of the casino to  
5 facilitate criminal activity.

6 20. On or about December 18, 2023, SIBELLA entered into a Plea Agreement in  
7 the United States District Court for the Central District of California in the case *United*  
8 *States of America v. Scott Sibella*, Case No. 2:23-cr-00656-FLA (SIBELLA Felony Plea  
9 Agreement) wherein SIBELLA agreed to plead guilty to “a single-count information” that  
10 alleges the following:

11 On or about July 27, 2018, within the Central District of  
12 California, and elsewhere, the defendant SCOTT SIBELLA,  
13 together with others, did willfully fail to file, and willfully caused  
14 MGM Grand Las Vegas (“MGM Grand”) to fail to file, with the  
15 United States Department of the Treasury, a report of a  
16 suspicious transaction relevant to possible violations of law and  
regulation, contrary to Title 31, United States Code, Sections  
5318(g), 5322(a), and regulations issued thereunder, to wit, Title  
31, Code of Federal Regulations, Section 1021.320, namely, the  
presentation of \$120,000 in cash by Wayne Nix to MGM Grand.

17 21. The SIBELLA Felony Plea Agreement, including the Statement of Facts that  
18 are made an attachment to, and in support of, the SIBELLA Felony Plea Agreement and  
19 agreed to by SIBELLA, was filed in federal court on December 27, 2023, and made public  
20 on January 25, 2024. The SIBELLA Felony Plea Agreement is hereby incorporated by  
21 reference and attached as Exhibit 1.

22 22. In the Statement of Facts attached to the SIBELLA Felony Plea Agreement,  
23 SIBELLA agrees, among other facts, to the following:

- 24 a. From sometime before August 2017 until sometime after February 2019,  
25 Wayne Nix operated an illegal bookmaking business.
- 26 b. From an unknown date, but no later than approximately August 2017  
27 through February 2019, SIBELLA was aware that Nix engaged in illegal  
28 bookmaking by taking bets on sporting events and continued to allow Nix

1 to gamble at MGM Grand and/or other affiliated properties. Not only did  
2 SIBELLA and two hosts continue to allow Nix to gamble at the casino  
3 and/or other affiliate properties, but they would authorize Nix to receive  
4 complimentary benefits at the casino, including meals, room, board, and  
5 golf trips with senior executives and other high net-worth customers of the  
6 casinos to further encourage Nix to patronize the casino and/or other  
7 affiliated properties.

8 c. SIBELLA suspected that certain customers of MGM Grand and/or of  
9 affiliated properties placed large bets with Nix.

10 d. SIBELLA knew that Nix was gambling at MGM Grand and its affiliates  
11 and transacting in amounts over \$5,000.

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

17 f. MGM Grand's parent company's AML Compliance Policy during the 2017  
18 to 2019 period required that when an officer, employee, or agent of MGM  
19 Grand determined that a possible suspicious transaction had occurred,  
20 that individual was to complete either "a Suspicious Activity Incident  
21 Report, or a Suspicious Activity Report."

22 g. SIBELLA received trainings on the AML Compliance Policy in at least  
23 2010 and 2014 and knew of the reporting requirements and the duty of  
24 someone in his position to report suspicious activity.

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

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1 **COUNT TWO**  
2 **VIOLATION OF NRS 463.170(8) and/or COMMISSION REGULATIONS**  
3 **5.011(1), 5.011(1)(a), 5.011(e), and/or 5.011(1)(k)**

4 30. The BOARD realleges and incorporates the above paragraphs by reference as  
5 though set forth in full herein.

6 31. SIBELLA, knowing that Nix engaged in illegal bookmaking, allowed Nix to  
7 gamble at the MGM Grand and its affiliates, and receive complimentary benefits at the  
8 MGM Grand, including room, board, and golf trips with senior executives and other high  
9 net-worth customers of the casino to further encourage Nix to patronize the casino and/or  
10 affiliated properties.

11 32. SIBELLA's actions, as described herein, are in violation of NRS 463.170(8)  
12 and/or Commission Regulations 5.011(1), 5.011(1)(a), 5.011(e), and/or 5.011(1)(k).

13 33. SIBELLA's failure to comply with NRS 463.170(8) and/or Commission  
14 Regulations 5.011(1), 5.011(1)(a), 5.011(e), and/or 5.011(1)(k) is grounds for disciplinary  
15 action against SIBELLA. See NRS 463.1405(4), NRS 463.170(8) and Commission Regs.  
16 5.010(2), and 5.030.

17 **COUNT THREE**  
18 **VIOLATION OF NRS 463.170(8) and/or COMMISSION REGULATIONS**  
19 **5.011(1), 5.011(1)(a), and/or 5.011(1)(k)**

20 34. The BOARD realleges and incorporates the above paragraphs by reference as  
21 though set forth in full herein.

22 35. MGMRI adopted a "Title 31 (Bank Secrecy Act) and Anti-Money Laundering  
23 Policy and Program for MGM Resorts International U.S. Casinos" (AML Policy) dated  
24 November 14, 2017, that was in effect at all times relevant herein and that covered MGM  
25 Grand and its affiliates in the United States.

26 36. MGMRI's AML Policy applied to SIBELLA.

27 37. MGMRI's AML Policy provided, in part, the following:

28 It is the responsibility of every employee to comply with this  
Policy and to protect [MGMRI] from being used to facilitate  
money laundering, terrorist financing or other crimes.  
Employees must be alert to and refer internally reports of  
unusual and suspicious activity and violations of this Policy and

1 related internal controls to their supervisor or to the appropriate  
2 BSA Officer . . . or the BSA/AML Program Coordinators generally  
3 by using the Suspicious Activity Incident Report . . . form  
4 developed for this purpose. Any information that a customer (i)  
utilizes funds derived from illegal activity or the customer intends  
to conceal funds derived from illegal activity . . . must be reported  
to Compliance.

5 38. At all times relevant herein, MGM Grand had in place a "System of Internal  
6 Controls Title 31 Chapter X" (Internal Controls) related to currency transaction reporting  
7 and anti-money laundering program.

8 39. MGM Grand's Internal Controls provided, in part, that "[i]f a casino employee  
9 knows, suspects or has reason to suspect that suspicious activities have occurred, they are  
10 to complete a Suspicious Activity Incident Report," which is to be forwarded to compliance.

11 40. MGM Grand's Internal Controls provided examples of suspicious activity that  
12 included "[a]ny set of circumstances where there is suspicion that funds being transacted  
13 are derived from illegal activities, this includes suspicion concerning the source of funds  
14 and physical condition."

15 41. SIBELLA failed to comply with MGMRI's AML Policy and failed to comply  
16 with MGM Grand's Internal Controls that required SIBELLA to report suspicious activities  
17 regarding Nix.

18 42. SIBELLA's actions, as described herein, are in violation of NRS 463.170(8)  
19 and/or Commission Regulations 5.011(1), 5.011(1)(a), and/or 5.011(1)(k).

20 43. SIBELLA's failure to comply with NRS 463.170(8) and/or Commission  
21 Regulations 5.011(1), 5.011(1)(a), and/or 5.011(1)(k) is grounds for disciplinary action  
22 against SIBELLA. See NRS 463.1405(4), NRS 463.170(8) and Commission Regs. 5.010(2),  
23 and 5.030.

24 **PRAYER FOR RELIEF**

25 WHEREFORE, based upon the allegations contained herein, which constitute  
26 reasonable cause for disciplinary action against SIBELLA, pursuant to NRS 463.310  
27 and/or NGC Regulations 5.010, 5.011, and/or 5.030, the BOARD prays for relief as follows:

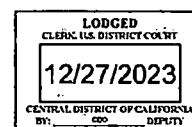
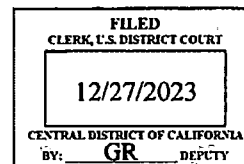
28 ///



# **EXHIBIT 1**

# **EXHIBIT 1**

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  
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7 DANIEL G. BOYLE (Cal. Bar No. 332518)  
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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,

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

18 Plaintiff,

PLEA AGREEMENT FOR DEFENDANT

19 v.

SCOTT SIBELLA

20 SCOTT SIBELLA,

21 Defendant.

22  
23  
24 1. This constitutes the plea agreement between SCOTT SIBELLA  
25 ("defendant") and the United States Attorney's Office for the Central  
26 District of California (the "USAO") in the investigation of  
27 defendant's conduct described in the agreed-to factual basis set  
28 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 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.

28

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.

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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.

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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 proceedings.

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

JEFF MITCHELL  
RACHEL N. AGRESS  
DANIEL G. BOYLE  
Assistant United States Attorneys

Date

*[Signature]*  
SCOTT SIBELLA  
Defendant

12/18/23

Date

*[Signature]*  
JEFFREY H. RUTHERFORD  
Kendall Brill & Kelly LLP

12/18/2023

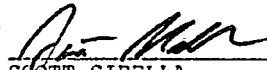
Date

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.

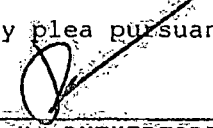
13   
14 SCOTT SIBELLA  
15 Defendant

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

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

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## **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  
//



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.

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E. MARTIN ESTRADA  
United States Attorney

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

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

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

JEFF MITCHELL  
Assistant United States Attorney  
Major Frauds Section

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

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