

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

FILED
4:36 pm, Nov 09, 2023
U.S. DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
Roger A.G. Sharpe, Clerk

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
SEAN EBERHART,)
)
Defendant.)

CAUSE NO. 1:23-cr-170-MPB-TAB

INFORMATION

The United States Attorney charges that:

COUNT 1
Conspiracy to Commit Honest Services Fraud
18 U.S.C. § 371

At times material to this Information:

Background

1. **SEAN EBERHART**, defendant herein, was a resident of Shelby County, Indiana, and was the elected representative of Indiana House District 57, which included Shelby County and portions of Bartholomew and Hancock counties. As an elected representative, EBERHART owed a fiduciary duty to his constituents. One of **EBERHART**'s largest constituents was Indiana Grand Casino and Racetrack. **EBERHART** was a member of the House Committee on Public Policy, which had jurisdiction over matters concerning casinos and gaming in Indiana.

2. **Centaur Holdings, LLC** (hereinafter "**Centaur**") was a company which operated casinos and off-track-betting ("OTB") facilities in Indiana, including the Indiana Grand Casino and Racetrack in Shelbyville, Indiana. Centaur was the state license holder for the facilities. Centaur was owned primarily by Individual A.

3. Caesars Entertainment Corporation (“Caesars”) is a U.S.-based casino-entertainment company. In July 2018, Caesars acquired Centaur, and thus acquired Indiana Grand Casino and Racetrack (and the accompanying state license) located in Indiana House District 57, which EBERHART represented.

4. **Spectacle Entertainment (“Spectacle”)** was a company created by Individual A and others following the sale of Centaur to Caesars. Spectacle utilized the same office space that was previously used by Centaur. Many of the executives of Centaur continued in substantially similar roles as executives of Spectacle.

5. In late 2018, Spectacle sought to purchase two casinos (and the accompanying state licenses) located on Lake Michigan in Gary, Indiana. Spectacle intended to seek approval to relocate the two casinos from the Lake Michigan waterfront to locations inland in downtown Gary and in Vigo County, Indiana. Purchases or transfers of casino licenses, and relocating the two casinos from the waterfront to inland locations, must be approved through the passage of a bill by both houses of the Indiana legislature, and signed by the governor.

6. In early 2019, the Indiana Gaming Commission gave final authorization for Spectacle’s acquisition of two state licenses for casinos then-located on Lake Michigan. The Gaming Bill, once passed, would require Spectacle to pay a one-time “transfer fee” to the State of Indiana should Spectacle decide to move the licenses to new locations. The transfer fee associated with moving the licenses began at \$100 million but was eventually reduced to \$20 million and included additional tax incentives for Spectacle. In 2019, legislation was introduced in the Indiana legislature regarding gambling (the “Gaming Bill”). The Gaming Bill authorized the relocation of the two waterfront casino operations to inland locations in Gary, Indiana, and Terre Haute, Indiana.

The Conspiracy and Scheme

7. From in or about January 2019, through and including May 9, 2019, in the Southern District of Indiana and elsewhere, **SEAN EBERHART**, Individual A, and others known and unknown to the United States Attorney, agreed and conspired to commit Honest Services Fraud, in violation of Title 18 U.S.C. §§ 1343 and 1346, that is to devise and intend to devise a scheme and artifice to defraud and deprive the citizens of Indiana House District 57 of their right to the honest and faithful services of **EBERHART** through bribery and the concealment of material information.

Purpose of the Conspiracy and Scheme

8. The purpose of the conspiracy and scheme was for EBERHART to secretly use his official position to enrich himself by soliciting and accepting gifts, payments, and other things of value from Individual A and Spectacle in exchange for favorable official action, namely future employment at and compensation from Spectacle, and for Individual A to enrich himself by secretly obtaining favorable official action for himself and Spectacle through corrupt means, namely EBERHART's advocacy and votes in favor of the Gaming Bill, and amendments thereto, on terms favorable to Spectacle.

Manner and Means of the Conspiracy and Scheme

The conspiracy and scheme were carried out in the following manner and means, among others:

9. Individual A offered, and **EBERHART** accepted, the promise of future employment at Spectacle, which included annual compensation of at least \$350,000.

10. In exchange, as Individual A and **EBERHART** agreed, **EBERHART** used his position as a member of the Indiana House of Representatives to advocate and ultimately vote for passage of the Gaming Bill on terms favorable to Spectacle, including but not limited to:

- a. Authorizing the transfer of the licenses for the two casinos then-located on Lake Michigan;
- b. Authorizing the relocation of the two Lake Michigan gaming licenses to inland locations in Gary, Indiana, and Vigo County, Indiana;
- c. Reducing or eliminating the originally proposed \$100 million transfer fee to be paid by Spectacle for acquisition of the licenses, which was ultimately reduced to \$20 million; and
- d. Authorizing tax incentives that would benefit Spectacle.

Overt Acts in Furtherance of the Conspiracy

In furtherance of the conspiracy and scheme, and to accomplish its unlawful purpose, **EBERHART**, Individual A, and others known and unknown to the United States Attorney, performed or caused to be performed, one or more of the following overt acts, among others not described herein, in the Southern District of Indiana and elsewhere:

11. In or about January or February 2019, Individual A offered **EBERHART** an employment position with Spectacle with a significant annual salary and an equity stake as compensation.

12. On or about March 27, 2019, during a hearing of the Indiana House Public Policy Committee, **EBERHART** advocated to remove a \$100,000,000 transfer fee entirely from the Gaming Bill.

13. On or about April 18, 2019, **EBERHART** communicated with a person known to the Grand Jury regarding the status of the Gaming Bill and efforts to “make it right for [Individual A]”.

14. On or about April 24, 2019, while the Gaming Bill was in the Conference Committee process, **EBERHART** proposed removing one of the Conference Committee chairs who was perceived as holding up passage of the Gaming bill.

15. On or about April 23, 2019, during a hearing a session of the Indiana House of Representatives, **EBERHART** advocated to in favor of a 20% tax rate that would save Spectacle tens of millions of dollars.

16. On or about April 24, 2019, **EBERHART** voted in favor of the Gaming Bill and the associated tax provisions which would save Spectacle tens of millions of dollars.

Interstate Wire Communication in Furtherance of the Conspiracy and Scheme

17. In furtherance of the above conspiracy, the following interstate wire communications were made:

18. A text exchange sent on or about April 18, 2019, from **EBERHART** to a person known to the Grand Jury:

EBERHART: A little clean up to make it right for [Individual A]. I think we have a 95% chance now.

Person 1: Table games 1/1/20?

EBERHART: Yep. I worked my ass off for that

...

Person 1: You don't have to go into a lot of details but what gets changed to benefit Individual A so much?

EBERHART: Take a call?

19. On or about April 24, 2019, when the Gaming Bill was in jeopardy, the following

text exchange between **EBERHART** and a person known to the Grand Jury occurred:

Person 1: [Individual A] is losing his mind.

EBERHART: Tell him stay calm. We are going to let the bull simmer tonight.

EBERHART: Bill

Person 1: What is her issue though? Where did this come from?

EBERHART: No idea. I talked to her 3 different times. Told her I couldn't believe she would let the bill die because of hold harmless language.

EBERHART: Just told [Individual A] to hold tight.

20. On or about April 25, 2019, after the Gaming Bill passed, the following text exchange between **EBERHART** and a person known to the Grand Jury occurred:

EBERHART: You ok?

Person 1: Yep, just hungover.

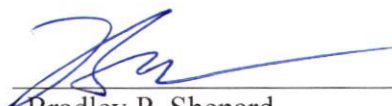
EBERHART: No doubt. We got work to do and 2 casinos to open.

EBERHART: Meeting with [Individual A] later this week.

All of which is in violation of Title 18, United States Code, Section 371.


ZACHARY A. MYERS
UNITED STATES ATTORNEY

By:



Bradley P. Shepard
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By:



Nicholas J. Linder
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