NGC 18-15

STATE OF NEVADA

BEFORE THE NEVADA GAMING COMMISSION

NEVADA GAMING CONTROL BOARD,

Complainant,

vs.

WYNN LAS VEGAS, LLC
dba WYNN LAS VEGAS;
WYNN RESORTS, LIMITED (PTC)

Respondents.

STIPULATION FOR SETTLEMENT
AND ORDER

The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD (BOARD), Complainant herein, filed a Complaint, NGC Case No. 18-15 (Complaint) against WYNN LAS VEGAS, LLC, dba WYNN LAS VEGAS, and WYNN RESORTS, LIMITED (PTC) (collectively RESPONDENTS), alleging certain violations of the Nevada Gaming Control Act and Regulations of the Nevada Gaming Commission.

IT IS HEREBY STIPULATED AND AGREED to by the BOARD and RESPONDENTS that the Complaint, NGC Case No. 18-15, filed against RESPONDENTS in the above-entitled case shall be settled on the following terms and conditions:

1. RESPONDENTS admit each and every allegation set forth in the Complaint, NGC Case No. 18-15, except that RESPONDENTS neither admit nor deny paragraphs 72 - 73 of the Complaint and that portion of paragraph 57 of the Complaint that alleges Maurice Wooden was aware of the allegations of sexual misconduct.

2. RESPONDENTS fully understand and voluntarily waive the right to a public hearing on the charges and allegations set forth in the Complaint, the right to present and cross-examine witnesses, the right to a written decision on the merits of the Complaint, which must contain findings of fact and a determination of the issues presented, and the right to obtain judicial review of the Nevada Gaming Commission's (Commission) decision.
3. RESPONDENTS agree to pay a fine in an amount to be determined by the Commission when this Stipulation for Settlement is considered for approval by the Commission. Any such fine shall be electronically transferred to the State of Nevada-Nevada Gaming Commission within five (5) days of this Stipulation for Settlement being accepted and approved by the Commission. Interest on the Fine shall accrue in accordance with NRS 17.130 on any unpaid balance computed from the date payment is due until payment is made in full.

4. RESPONDENTS agree that the nonrestricted gaming license of WYNN LAS VEGAS, LLC and the registration of WYNN RESORTS, LIMITED (PTC) may be conditioned by the Commission when this Stipulation for Settlement is considered for approval by the Commission as deemed appropriate by the Commission.

5. The BOARD agrees that it is not seeking to revoke or limit RESPONDENTS’ licenses, findings of suitability, or any other Commission approvals.

6. Nothing herein shall be construed to limit either the BOARD or RESPONDENTS from advocating for what either party believes is appropriate discipline within the parameters of this Stipulation for Settlement.

7. To assist the Nevada Gaming Commission in its evaluation of the matters encompassed by this stipulated settlement agreement, RESPONDENTS offer the following:

   a. Since its creation almost two decades ago, RESPONDENTS have prided themselves on their culture of compliance and commitment to their employees. Over the last year, RESPONDENTS have realized, through the BOARD’S investigation as well as its own, that RESPONDENTS fell short of their culture and commitment in perhaps one of the most important areas for an employer – focusing on its employees. RESPONDENTS have focused on a single man, rather than the Company’s greatest asset, its 25,000 employees.

   b. RESPONDENTS have undergone an extensive self-examination over the last twelve months, intended to reinvigorate and implement meaningful change across all levels
of the organization, to cultivate a safe, healthy, and supportive workplace culture, and to build on their core values of respecting their employees, corporate responsibility and citizenship, and service to the community. And RESPONDENTS represent that they have been successful in that regard.

c. In sum, these 25,000 employees, led by CEO Matt Maddox and a reshaped Board of Directors, are the Company that stands before the Commission today, and not Steve Wynn.

d. Upon learning of the extent of the allegations contained in the Wall Street Journal article, RESPONDENTS immediately created a special committee comprised of independent members of RESPONDENTS' Board to investigate the allegations contained in the Wall Street Journal Article, and fully cooperated with the BOARD’S investigation.

e. RESPONDENTS also implemented significant changes in the leadership of the organization, including,

i. Appointing Matt Maddox as Chief Executive Officer.

ii. Commencing a robust Board refreshment process: 60% of the directors at the beginning of 2018 have now departed and the median tenure of directors is now less than two years. In April 2018, the Board elected three new female directors, resulting in a Board that is now nearly 50% women. Long time Nevada gaming executive Philip G. Satre was also elected Chairman of the Board.

iii. Appointed Ellen Whittemore, a recognized expert in gaming regulatory matters, as General Counsel.

iv. Appointed Marilyn Spiegel, an executive with significant hospitality and human resources experience, as President of Wynn Las Vegas.

v. Appointed Rose Huddleston, a seasoned human resources executive, to the newly created corporate position of Senior Vice President of Human Resources- North America.

...
f. In addition, RESPONDENTS initiated important remedial actions to improve their workplace environment and to communicate their improvements to the appropriate employees, supervisors, executives, and Board members, including by:

i. Refocusing efforts on RESPONDENTS' workplace culture by making it a priority for the new Human Resources leadership.

ii. Launching enhanced Workplace Compliance and Prevention of Sexual Harassment training for all employees; designed and delivered by a third party.

iii. Launching a Women's Leadership Council to promote equality within the workplace. The group’s first activity was to produce a speaker series, "Women Who Thrive," to educate and inspire employees through powerful female role models.

iv. Commissioning pay and promotion equity studies to measure pay equality among men and women in the workforce.

v. Launching a new Paid Parental Leave program that provides six weeks of paid time off to new parents.

vi. Implementing new Diversity, Inclusion and Unconscious Bias training for all employees taught by third-party experts. Company senior executives completed an eight-hour training program.

vii. Launching the Great Places to Work survey and focus groups which measure employee engagement against the Fortune “100 Best Places to Work.”

viii. Launching a new annual Wynn Employee Foundation scholarship program, which awarded ten $7,500 college scholarships to employees and their dependents.

8. In consideration for the execution of this Stipulation for Settlement, RESPONDENTS, for themselves, their heirs, executors, administrators, successors, and assigns, hereby release and forever discharge the State of Nevada, the Commission, the BOARD, the Nevada Attorney General and each of their members, agents, and employees in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever
known or unknown, in law and equity, that RESPONDENTS ever had, now have, may
have, or claim to have against any and all of the persons or entities named in this paragraph
arising out of, or by reason of, the investigation of the allegations in the Complaint and this
disciplinary action, NGC Case No. 18-15, or any other matter relating thereto.

9. In consideration for the execution of this Stipulation for Settlement, RESPONDENTS hereby indemnify and hold harmless the State of Nevada, the
Commission, the BOARD, the Nevada Attorney General, and each of their members,
agents, and employees in their individual and representative capacities against any and
all claims, suits and actions, brought against the persons named in this paragraph by
reason of the investigation of the allegations in the Complaint, filed in this disciplinary
action, NGC Case No. 18-15, and all other matters relating thereto, and against any and
all expenses, damages, charges and costs, including court costs and attorney fees, which
may be sustained by the persons and entities named in this paragraph as a result of said
claims, suits and actions.

10. RESPONDENTS enter into this Stipulation for Settlement freely and
voluntarily and with the assistance of legal counsel. RESPONDENTS further acknowledge
that this Stipulation for Settlement is not the product of force, threats, or any other form
of coercion or duress, but is the product of discussions between RESPONDENTS and the
attorney for the BOARD.

11. RESPONDENTS affirmatively represent that if RESPONDENTS, this
Stipulation for Settlement, and/or any amounts distributed under this Stipulation for
Settlement are subject to, or will become subject to, the jurisdiction of any bankruptcy
court, the bankruptcy court's approval is not necessary for this Stipulation for Settlement
to become effective, or that the bankruptcy court has already approved this Stipulation for
Settlement.

12. RESPONDENTS and the BOARD acknowledge that this Stipulation for
Settlement is made to avoid litigation and economize resources. The parties agree and
understand that this Stipulation for Settlement is intended to operate as full and final
settlement of the Complaint filed solely against RESPONDENTS, in the above-entitled
disciplinary case, NGC Case No. 18-15. This Stipulation for Settlement shall in no way be
construed to limit or restrict the BOARD in pursuing discipline against any person or entity
not otherwise identified as a Respondent in NGC Case No. 18-15 and shall not be construed
to operate as a resolution or conclusion of any possible future complaint filed by the BOARD
against any person or entity not otherwise identified as a Respondent in NGC Case No. 18-15.

13. RESPONDENTS and the BOARD recognize and agree that the Commission has
the sole and absolute discretion to determine whether to accept this Stipulation for
Settlement. RESPONDENTS and the BOARD hereby waive any right they may have to
challenge the impartiality of the Commission to hear the above-entitled case on the matters
embraced in the Complaint if the Commission determines not to accept this Stipulation for
Settlement. If the Commission does not accept the Stipulation for Settlement, it shall be
withdrawn as null and void and RESPONDENTS' admissions, if any, that certain
violations of the Nevada Gaming Control Act and the Regulations of the Commission
occurred shall be withdrawn.

14. RESPONDENTS and the BOARD agree and understand that this Stipulation
for Settlement is intended to operate as full and final settlement of the Complaint filed in
NGC Case No. 18-15. The parties further agree and understand that any oral
representations are superseded by this Stipulation for Settlement and that only those
terms memorialized in writing herein shall be effective.

15. RESPONDENTS agree and understand that although this Stipulation for
Settlement, if approved by the Commission, will settle the Complaint filed in NGC Case
No. 18-15, that the allegations contained in the Complaint filed in NGC Case No. 18-15 and
the terms of this Stipulation for Settlement may be considered by the BOARD and/or the
Commission, with regards to any and all applications by RESPONDENTS that are
currently pending before the BOARD or the Commission, or that are filed in the future with
the BOARD.
16. RESPONDENTS and the BOARD shall each bear their own costs incurred in this disciplinary action, NGC Case No. 18-15.

17. RESPONDENTS, by executing this Stipulation for Settlement, affirmatively waive all notices required by law for this matter including, but not limited to, notices concerning consideration of the character or misconduct of a person (NRS 241.033), notices concerning consideration of administrative action against a person (NRS 241.034), and notices concerning hearings before the Commission (NRS 463.312). Regardless of the waiver of legal notice requirements, the BOARD and Commission will attempt to provide reasonable notice of the time and place of the hearing. Further, in negotiating this Stipulation for Settlement, RESPONDENTS acknowledges that the BOARD has provided RESPONDENTS with the date and time of the Commission hearing during which the BOARD anticipates the Commission will consider approving this Stipulation for Settlement.
18. This Stipulation for Settlement shall become effective immediately upon
approval by the Commission.

WYNN LAS VEGAS, LLC dba WYNN
LAS VEGAS, WYNN RESORTS
LIMITED (PTC)

By: MATT MADDOX Date 1/25/19
CEO of Wynn Resorts, Limited, and
Chairman of Wynn Las Vegas, LLC

By: ELLEN WHITTEMORE Date 1/25/19
EVP and General Counsel

BROWNSTEIN HYATT FARBER
SCHRECK

By: GREGORY A. BROWER Date 1/25/19
Attorneys for Respondents

Submitted By:

AARON D. FORD
Attorney General

By: JOHN S. MICHELA (Bar No. 8189)
Senior Deputy Attorney General
MICHAEL P. SOMPS (Bar No. 6507)
Senior Deputy Attorney General
EDWARD L. MAGAW (Bar No. 9111)
Deputy Attorney General
Gaming Division
Attorney General's Office

ORDER

IT IS SO ORDERED in NGC Case No. 18-15.

DATED this _____ day of ____________________, 2019.

NEVADA GAMING COMMISSION

TONY ALAMO, M.D., Chairman