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CASE NO: A-19-803879-C
Department 16

EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

JORGEN NIELSEN, an individual,

Plaintiff,

vs.

WYNN RESORTS, LIMITED, a Nevada corporation; WYNN LAS VEGAS, LLC, a Nevada limited-liability company; MATTHEW MADDOX, an individual; KIMMARIE SINATRA, an individual; JAMES STERN, an individual;; DOES I through X; and ROE CORPORATIONS I through X, inclusive,

Defendants.

Case No.:

Dept. No.:

COMPLAINT

DEMAND FOR JURY TRIAL

Arbitration Exemption:

1. Damages in excess of \$50,000

Plaintiff JORGEN NIELSEN ("Plaintiff") hereby demands a trial by jury and complains and

1 alleges against Defendants as follows:

2 **PARTIES**

3 1. Plaintiff JORGEN NIELSEN (“NIELSEN”) is, and at all times pertinent hereto, was a
4 resident of Clark County, Nevada.

5 2. Plaintiff NIELSEN was employed by the corporate Defendants from 2005 until 2013
6 as the “Artistic Director of Salon”; he was the Artistic Director of The Wynn Salon (from 2005) and
7 also of The Encore Salon when that property opened (collectively referred to as the “Salon”). Plaintiff
8 NIELSEN lost that job in 2013 when he was demoted after Steve Wynn (through others, acting on his
9 wishes) replaced Plaintiff NIELSEN as Artistic Director with Claud Baruk, the new Mrs. Wynn’s
10 (Andrea Wynn’s) hairdresser from St. Tropez.

11 3. Upon information and belief, in late 2017 and in early 2018, various national media
12 outlets began investigating Steve Wynn’s years of workplace misconduct and the pattern and practice
13 of Wynn Resorts of failing to address it.

14 4. Plaintiff NIELSEN was one of the few individuals who went on the record with media
15 outlets in January 2018 about events and what he knew about the observable effect of Steve Wynn’s
16 misconduct.

17 **Corporate Defendants**

18 5. On April 2, 2019, after a 13 month-long investigation, the Massachusetts Gaming
19 Commission published its “Investigative Report Regarding Ongoing Suitability of Wynn MA, LLC,”
20 (hereinafter “Mass Gaming Commission 3/15/19 *Investigative Report*”) and thereafter conducted
21 adjudicatory hearings on April 2nd, 3rd, and 4th of 2019 in Boston, Massachusetts.

22 6. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, Defendant
23 WYNN LAS VEGAS, LLC is a subsidiary corporate entity which is controlled by Defendant WYNN
24 RESORTS, LIMITED, the parent company. Both are being sued herein and hereinafter collectively
25 called “Wynn Resorts” or are referred to as the named corporate entities, and which are, at all times
26 pertinent hereto, Nevada corporations or business entities. Together with the fictitious defendants
27 described below, these named corporate defendant entities operate two side by side, connected luxury
28 hotels and casinos, known as Wynn Las Vegas and Encore Resort (“properties”) located in the 3100

1 block of South Las Vegas Boulevard, Las Vegas, in Clark County, Nevada.

2 7. These properties were founded, built, managed and fully controlled by Steve Wynn,
3 the largest shareholder, until March 2018. These properties were and are operated through various
4 business entities and licenses, including the corporate Defendants, which hold business, gaming and
5 liquor licenses to do so, and are authorized to and are conducting business in Clark County, Nevada.

6 **Defendant Matthew Maddox**

7 8. Upon information and belief, and based on mandatory disclosures made in connection
8 with gaming licenses, individual Defendant MATTHEW MADDUX ("MADDUX") is, and at all
9 times pertinent hereto, was a resident of Clark County, Nevada.

10 9. Defendant MADDUX currently serves as the President of Wynn Resorts, and has since
11 November 2013, having been selected and appointed to that position in 2013 by Steve Wynn.

12 10. Defendant MADDUX became Chief Executive Officer (CEO) of Wynn Resorts on
13 February 6, 2018, the day Steve Wynn resigned from that post. According to the Mass Gaming
14 Commission 3/15/19 *Investigative Report*, Defendant MADDUX has served in the following
15 positions, all at the instigation and approval of Steve Wynn, a fact which MADDUX admitted during
16 his testimony before the Mass Gaming Commission:

17 **Wynn Resorts, Ltd**

- 18 • Director, 2018-Present
- 19 • Chief Executive Officer, 2018-Present
- 20 • President, 2013-Present
- 21 • Chief Financial Officer, 2008-2014
- 22 • Treasurer, 2006-2014
- 23 • SVP of Business Development, 2005-2008

24 **Wynn Las Vegas, LLC**

- 25 • SVP of Business Development, 2005-2005
- 26 • Treasurer and VP of Investor Relations, 2002 - 2003

27 **Worldwide Wynn, LLC**

- 28 • VP and Chief Financial Officer, 2003-2005

1 Wynn Macau, Limited

- 2 • Non-executive Director, 2013-2018
- 3 • Executive Director, 2018 -Present
- 4 • Chief Executive Officer, 2018-Present

5 11. In the Massachusetts Gaming Commission's Adjudicatory Hearings on April 2nd, 3rd,
6 and 4th of 2019, sworn testimony was presented that from approximately 2013 (when MADDUX
7 became President) into early 2018, it was well-known and accepted that the properties were being run
8 by Steve Wynn, Defendant MADDUX, and Defendant SINATRA. *See generally*, Mass Gaming
9 Commission Adjudicatory Hearing Transcript, 4/3/19, *Testimony of Matthew Maddox*, p. 200-208.

10 Defendant Kimmarie Sinatra

11 12. Upon information and belief, and based on mandatory disclosures made in connection
12 with gaming licences, individual Defendant KIMMARIE SINATRA ("SINATRA") is, and at all
13 times pertinent hereto, was a resident of Clark County, Nevada.

14 13. At the times pertinent to these matters, at the instigation and approval of Steve Wynn,
15 SINATRA served as the General Counsel of Wynn Resorts (the named corporate defendants) and
16 may have served in a similar capacity of other Wynn-related entities, including ROE
17 CORPORATIONS I-X.

18 14. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, Defendant
19 SINATRA has served in the following positions:

- 20 • EVP, Secretary, and General Counsel, Wynn Resorts, Ltd, 2014-2018
- 21 • SVP, Secretary, and General Counsel, Wynn Resorts, Ltd, 2006-2014
- 22 • SVP and General Counsel, Worldwide Wynn, LLC, 2004-2006
- 23 • Non-executive Director, Wynn Macau, Ltd , 2017-2018

24 15. On July 5, 2018, the corporate Defendants publicly announced that Defendant
25 SINATRA would cease to serve as the "Company's executive vice president, general counsel, and
26 secretary, effective July 15, 2018." According to the April 30, 2019 Decision of the Massachusetts
27 Gaming Commission, based on disclosures made, Defendant SINATRA's resignation was effective
28 August 3, 2018.

1 16. According to media reports and as alluded to in the Mass Gaming Commission 3/15/19
2 *Investigative Report*, initially (in late January, 2018 shortly after the *Wall Street Journal* articles about
3 Steve Wynn's misconduct were published), the board of Defendant Wynn Resorts, Limited ("Board")
4 hired outside counsel (O'MELVENY & MYERS) to conduct an investigation. Within six days of Steve
5 Wynn's abrupt resignation from his various corporate positions in the first week of February 2018,
6 Defendant WYNN RESORTS announced that this outside counsel engagement was discontinued (on
7 February 12, 2018). Later, Defendant Wynn Resorts announced that a new outside counsel was being
8 hired to conduct an investigation: GIBSON, DUNN & CRUTCHER LLP, a Los Angeles law firm where
9 Defendant SINATRA had once been the managing partner.

10 17. According to evidence presented to the Massachusetts Gaming Commission, by
11 January 2018 Defendant SINATRA was aware of a number of settlements, possibly involving millions
12 of dollars, that implicated possible sexual misconduct by Steve Wynn and involved WYNN
13 RESORTS employees. Policies about internal investigations, reporting to the Board, and reporting
14 to gaming regulators were not followed by Defendant SINATRA in relation to reports of wrongdoing
15 by Steve Wynn, facts which have been admitted in gaming enforcement proceedings.

16 18. According to sworn testimony provided during the April 2nd, 3rd, and 4th of 2019
17 Massachusetts Gaming Commission Adjudicatory Hearings (including by Board member Atkins,
18 General Counsel Whittemore, and Defendant MADDUX), Defendant SINATRA was paid "nearly
19 \$10 Million Dollars" in severance by the corporate Defendants upon her resignation in August, 2018.

20 **Defendant James Stern**

21 19. Upon information and belief, individual Defendant JAMES STERN ("STERN") is,
22 and at all times pertinent hereto was, a resident of Clark County, Nevada.

23 20. Defendant STERN was, at times pertinent to these matters (i.e. in 2018), the Executive
24 Vice-President of Corporate Security of Wynn Resorts, and is believed to have been selected or
25 approved for that position by Steve Wynn.

26 21. According to media reports, on or about April 5, 2019, Defendant STERN lost his
27 Director of Security position, two to three days after the public disclosure of his undercover
28 surveillance of employees' activities was revealed during the Massachusetts Gaming Commission

1 Adjudicatory Hearings, which was nearly 14 months after he had engaged in those activities.

2 **Fictitious Defendants**

3 22. Plaintiff is not familiar with the complex corporate interrelationships through which
4 the named defendants WYNN RESORTS operates these world famous, multi-billion dollar luxury
5 hotel and gaming properties, Wynn Las Vegas and Encore Resort. Thus, the true names and
6 capacities, whether individual, corporate, subsidiary, associate, partnership, joint venturers or
7 otherwise, of these fictitious (additional) defendants herein designated as DOES I through X and ROE
8 CORPORATIONS I through X, inclusive are unknown to Plaintiff at this time, who therefore sues
9 these defendants by these fictitious, placeholder names.

10 23. These fictitious defendants, acting with or at the direction of the named Defendants,
11 may also be responsible and therefore liable for the injurious conduct or illegal conduct which harmed
12 Plaintiff NIELSEN. Plaintiff NIELSEN will seek leave of the Court to substitute the true names and
13 capacities of such Defendants when the same have been ascertained.

14 **JURISDICTION AND VENUE**

15 24. This is a civil action for damages brought by Plaintiff JORGEN NIELSEN seeking
16 relief under state (Nevada) common law.

17 25. Jurisdiction is proper pursuant to NEV. REV. STAT. §14.065, and the amount in
18 controversy exceeds \$15,000.

19 26. Venue is proper because the Plaintiff resides in this judicial district, the individual
20 Defendants reside in this jurisdiction, and the corporate Defendants conduct business in this judicial
21 district, and the acts complained of occurred in this judicial district.

22 **GENERAL ALLEGATIONS APPLICABLE TO ALL CAUSES OF ACTION**

23 27. The two properties, The Wynn and Encore, were built, owned and operated by Wynn
24 Resorts' Chairman and CEO Steve Wynn through the named Defendant entities and other business
25 entities. Steve Wynn personally recruited and selected the board members for all these business
26 entities.

27 28. Since The Wynn opened in 2006, Steve Wynn worked out of a private office
28 maintained and staffed for him on these premises. Steve Wynn took up residence at The Wynn in a

1 private villa, where he resided up to a point in late April or May of 2018.

2 29. Thus, on a nearly daily basis for many years, well-known to all, Steve Wynn operated
3 his world famous hotel and casino properties, on site, and did so through the high-level management
4 executives he recruited and/or approved, which includes individual Defendants MADDUX,
5 SINATRA, and STERN. Upon information and belief, Steve Wynn personally arranged, approved
6 and was responsible for their being appointed, promoted, and remaining in their respective positions
7 in the hierarchy of the corporate Defendants, including the scope of their responsibilities, their job
8 titles, their promotions, their salaries, bonuses, and all other aspects of their compensation.

9 30. Past and some current Wynn Resorts executives, perhaps even the individual named
10 Defendants, ignored, enabled, facilitated, and covered up decades of wrongful, abusive sex-based
11 Steve Wynn misconduct in the Wynn Resorts workplace and in earlier Wynn-controlled workplaces.
12 This misconduct included, but is not limited to, Steve Wynn's using the Wynn Resorts workplace as
13 his personal hunting ground, finding and subjecting female employees to his sexual advances, sexual
14 harassment, inappropriate touching, and pressuring female employees to perform sex acts on him.

15 31. According to the media reports, in addition to Plaintiff NIELSEN, dozens of other
16 current and former Wynn Resorts employees spoke to the media and described the same misconduct:
17 that CEO Steve Wynn sexualized and preyed upon his workforce for many years.

18 32. According to the evidence presented to the Massachusetts Gaming Commission,
19 Defendants received advance notice that the national press, the *Wall Street Journal* in particular, were
20 going to publish blistering, well-sourced articles about Steve Wynn's misconduct. Defendants moved
21 quickly, convening meetings with Salon employees and issuing expressions of corporate support for
22 Steve Wynn before and immediately after publication.

23 33. The public accusations from the national press spurred investigations of Wynn Resorts
24 by various entities, including the Board of WYNN RESORTS, the Nevada Gaming Control Board,
25 and the Massachusetts Gaming Commission. DEFENDANTS thus became aware that those
26 professional investigations corroborated the statements Plaintiff NIELSEN made in the media, for
27 which he is now being sued by Steve Wynn for defamation.

28 34. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, Steve Wynn

1 relinquished both of his positions (Chief Operating Officer and Chairman of the Defendant Wynn
2 Resorts,) on February 6, 2018. On that same day, individual Defendant MADDOX replaced Steve
3 Wynn as the Chief Operating and Executive Officer of Defendant Wynn Resorts.

4 35. For the first time, it was revealed on April 2, 2019 (upon the public release and
5 publication of the Mass Gaming Commission 3/15/19 *Investigative Report*) that WYNN RESORTS
6 officers and executives, including individual Defendant STERN, Defendant MADDOX and
7 Defendant SINATRA, approved a secret undercover operation against Plaintiff NIELSEN in March,
8 2018, nearly two months AFTER Steve Wynn had relinquished all of his corporate positions.

9 36. It appears from this *Investigative Report* and testimony at the Mass Gaming
10 Adjudicatory Hearings that Defendant STERN conceived of the operation, which was approved by
11 Defendants MADDOX and SINATRA, and was then executed. It involved sending an undercover
12 operative to Plaintiff NIELSEN'S place of business (the salon at Palms Casino Resort) in late March
13 2018, under the guise of being a legitimate salon client, and having the undercover operative question
14 Plaintiff NIELSEN.

15 37. The individual Defendants approved this secret undercover operation by the corporate
16 Defendants against Plaintiff NIELSEN at a time when Steve Wynn had already resigned all of his
17 corporate and operational positions, had divested himself of his controlling ownership interest, and
18 had settled his ongoing litigation with his former spouse, Elaine Wynn.

19 38. According to his testimony at the Mass Gaming Commission's Adjudicatory Hearing
20 on April 4, 2019, Defendant STERN testified about other assistance provided to Steve Wynn by
21 Defendants. For example, Defendant STERN testified that corporate Defendants' in-house attorney
22 Kevin Tourek tasked him (STERN) with following up with a "physician" who had called in and said
23 she had something to share. Defendant STERN testified he conducted three separate interviews of
24 the "physician," her husband, and the husband's assistant. This apparently precipitated the undercover
25 sting operation against Plaintiff NIELSEN arranged by STERN in late March 2018. In his defamation
26 suit against Plaintiff NIELSEN, Steve Wynn later submitted a declaration of a Dr. Renee Palleggi
27 (who called Steve Wynn "Uncle Steve"), who said she said spoken with Kevin Tourek on January 31,
28 2018 and later with James Stern. Another admitted example of invasive tortious activity by

1 Defendants is Defendant STERN's admission that after the media reports about Steve Wynn were
2 published, Defendants surveilled three current Wynn employees based solely on a "hypotheses by one
3 of their supervisory personnel" [believed to be Claud Baruk, Salon Director, close confidante of Steve
4 Wynn and hairdresser to Andrea Wynn]. 4/4/19 Mass Adjudicatory Hearing, *Testimony of James*
5 *Stern*, p. 208-211.

6 39. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, WYNN
7 RESORTS officials disclosed this undercover sting operation to Massachusetts gaming regulators in
8 the course of their investigation, but it was only on April 2, 2019 that Defendants first publicly
9 admitted that they had engaged in this undercover sting operation against Plaintiff NIELSEN the year
10 before.

11 40. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, again
12 setting forth admissions made by WYNN RESORTS to Massachusetts gaming regulators, it was only
13 on April 2, 2019 that Defendants first publicly admitted they had also engaged in surveillance
14 activities back in March 2018 against then-current Wynn Salon employees as well.

15 41. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, Defendant
16 MADDOX made the following disclosure to Massachusetts gaming regulators:

17 "Mr. Maddox described Mr. Wynn's reputation for filing defamation actions against
18 individuals, stating, "He's quite litigious" and told the IEB that Mr. Wynn has a defamation
19 lawyer on a continuous retainer."

20 Mass Gaming Commission 3/15/19 *Investigative Report*, page 21.

21 42. Thus, in March 2018, while undertaking this covert sting operation against a named
22 source (Plaintiff NIELSEN) in the *Wall Street Journal* article and surveillance of existing employees,
23 Defendants were aware of the possible misuse of this information and the possibility that their
24 surveillance and activities would scare persons, like Plaintiff NIELSEN and those who would support
25 and corroborate his statements, from speaking out.

26 43. On April 26, 2018, approximately one month after Defendants had Plaintiff NIELSEN
27 surveilled, Steve Wynn filed a defamation complaint in the Eighth Judicial District Court, District of
28 Nevada, against Plaintiff NIELSEN. Steve Wynn filed two other defamations suits as well.

1 44. In April, 2018 and thereafter (after receiving the GIBSON DUNN investigative reports
2 and being briefed by Massachusetts gaming regulators on July 2, 2018), Defendants did nothing
3 publicly to disseminate the truth nor did they distance themselves from Steve Wynn's use of litigation,
4 especially defamation lawsuits, to intimidate others from coming forward and telling the truth about
5 his misconduct.

6 45. Throughout 2018, the Massachusetts Gaming Commission and the Nevada Gaming
7 Control Board conducted extensive investigations into Wynn Resorts, its Board members, and
8 executives. Eventually, Steve Wynn sued the Massachusetts Gaming Commission and its Director of
9 Investigation, sending still another message to all who dare speak out against him.

10 46. According to the Massachusetts Gaming Commission April 30, 2019 Decision and
11 Order, the Board of the corporate Defendant was briefed on GIBSON DUNN's (the Board's outside
12 counsel) investigation report by PowerPoint on July 18, 2018 and again on August 3, 2018. Upon
13 information and belief, and based on references to it in the Mass Gaming Commission 3/15/19
14 *Investigative Report*, it is believed that this investigation corroborated reports of years of Steve Wynn
15 misconduct in the Wynn workplace, and the complicity of high-level hotel and corporate executives
16 in ignoring, enabling, facilitating, tolerating, and then covering up that misconduct.

17 47. Still, in the summer of 2018, Defendants did nothing publicly to distance themselves
18 from Steve Wynn's misconduct nor to provide the information to others to prevent or remedy Steve
19 Wynn's misuse of litigation to intimidate and crush those who had spoken out truthfully against him
20 and to remedy years of complicity (by his high level corporate executives, including the individual
21 Defendants) which ignored, enabled, facilitated, tolerated and paid for his misconduct.

22 48. On January 25, 2019, the Nevada Gaming Control Board filed a complaint against
23 Wynn-related gaming licensees for these matters. Immediately thereafter, on that same day, January
24 25, 2019, the Nevada Gaming Control Board filed a "Stipulation for Settlement and Order," with the
25 same Defendants as the named corporate defendants herein admitting each and every allegation in the
26 complaint, except three (Paragraphs 72, 73 and 57). All of those admissions are hereby incorporated
27 herein as if fully set forth.

28 49. Thereafter, on February 26, 2019, the Nevada Gaming Control Board and the two

1 named corporate Defendants entered into a stipulation whereby Wynn Resorts agreed to pay \$20
2 million, the highest fine ever assessed by Nevada gaming regulators.

3 50. The Mass Gaming Commission 3/15/19 *Investigative Report* found that over a course
4 of years, “a limited group of executives and employees in positions of authority at [Wynn Resorts],
5 including in the legal division, disregarded Company policies when it came to certain allegations of
6 sexual misconduct against [Steve] Wynn involving employees.”

7 51. After releasing its report on April 2, 2019, the Massachusetts Gaming Commission
8 conducted Adjudicatory Hearings on April 2nd, 3rd, and 4th of 2019. Defendant MADDUX,
9 President and CEO of the corporate Defendants and their Massachusetts-related entities, testified
10 under oath at these Adjudicatory Hearings.

11 52. On April 30, 2019, the Massachusetts Gaming Commission released its “Decision and
12 Order” regarding the suitability of Wynn Resorts and its high-level executives to maintain gaming
13 licenses. The Massachusetts Gaming Commission assessed a fine of \$35 Million Dollars on WYNN
14 RESORTS, fined individual Defendant MADDUX the sum of \$500,000, and imposed many
15 conditions on the company, its Board, MADDUX and other executives.

16 53. On April 30, 2019, the Massachusetts Gaming Commission expressed its unanimous
17 concern that Wynn President and CEO Matt MADDUX “routinely failed to exercise the proper
18 diligence, express the requisite level of concern, [nor did he] understand the magnitude of the risk and
19 legal implications associated with much of the information of which he was, or should have been,
20 aware.”

21 54. Numerous lawsuits have been filed arising out of these Steve Wynn-related matters,
22 and the corporate Defendants have routinely looked to Steve Wynn to provide settlement dollars to
23 resolve those Wynn workplace matters, subjecting his victims to more possible abuse and non-
24 disclosure provisions.

25 55. Most recently, on October 8, 2019, the Nevada Gaming Control Board filed another
26 complaint, this time seeking to ban Steve Wynn from ever holding a Nevada gaming license.

27 ///

28 ///

1 **FIRST CAUSE OF ACTION**

2 **Invasion of Privacy**

3 56. Plaintiff NIELSEN repeats and realleges all preceding paragraphs as though fully set
4 forth herein.

5 57. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, based on
6 admissions made by WYNN RESORTS to Massachusetts gaming regulators in the course of that
7 investigation, an undercover sting operation was authorized by Defendant WYNN RESORTS against
8 Plaintiff NIELSEN. It was initiated by Defendant STERN, approved by Defendants MADDOX and
9 SINATRA, and involved sending an undercover operative to Plaintiff NIELSEN'S place of business
10 (the salon at Palms Casino Resort) in March, 2018, under the guise of being a legitimate client, and
11 having the undercover operative question Plaintiff NIELSEN.

12 58. Plaintiff NIELSEN had an actual and reasonable expectation of seclusion in his
13 workplace, as he did not expect that any customers booked for hair services and talking to him during
14 the course of those services would secretly be working for Defendants and Steve Wynn, and
15 attempting to obtain information from Plaintiff NIELSEN which would then be used against him.

16 59. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, Defendant
17 MADDOX made the following disclosure to Massachusetts gaming regulators:

18 "Mr. Maddox described Mr. Wynn's reputation for filing defamation actions against
19 individuals, stating, "He's quite litigious" and told the IEB that Mr. Wynn has a defamation lawyer
20 on a continuous retainer."

21 Mass Gaming Commission 3/15/19 *Investigative Report*, p. 21. This demonstrated the legitimacy of
22 the fear of employees (former or current) of being sued by Steve Wynn, and that Defendant MADDOX
23 was fully aware of the likelihood that Steve Wynn might and would misuse information provided to
24 him, especially information about past Wynn employees who were speaking out about his misconduct,
25 and would use his (Steve Wynn's) vastly superior economic resources to crush those who might speak
26 against him.

27 60. Defendants knew or should have known that aiding Steve Wynn against or in detriment
28 to Plaintiff NIELSEN and others who had spoken out about Steve Wynn was wrong and could easily

1 and reasonably interpreted as a threat to all, with the possibility that it would silence people and chill
2 not only NIELSEN's speech but that of former and current WYNN RESORTS employees (some of
3 whom are direct victims of Steve Wynn's misconduct) during regulatory investigations and internal
4 investigations into Steve Wynn's years of misconduct and those who enabled, facilitated, tolerated,
5 or covered Steve Wynn's misconduct for so many years.

6 61. Plaintiff NIELSEN's expectation of seclusion and privacy in his workplace was
7 objectively reasonable.

8 62. On April 2, 2019, during Wynn Resorts opening statement, Defendant MADDOX
9 testified under oath that he first supported Steve Wynn and only later came to believe the truth about
10 Steve Wynn's misconduct:

11 "As those investigations began, the denial changed and I began to realize that there were many
12 victims and those victims felt powerless, and for that I'm deeply remorseful. They felt they
13 didn't have a voice, that if they were to speak up, they would be retaliated against, or if they
14 did it, it wouldn't be investigated, and for that I'm truly sorry."

15 Mass Gaming Commission Adjudicatory Hearing Transcript, 4/2/19, 29:5-12. Despite Defendant
16 MADDOX's 2019 testimony that his epiphany about the truthfulness of the media reports about Steve
17 Wynn's misconduct occurred as "those investigations began," and his bemoaning the lack of voice
18 and possible retaliation victims in the workplace might experience, he and the other Defendants
19 authorized the undertaking of a covert sting operation nearly 60 days later against one of the people
20 (Plaintiff NIELSEN) who had given those victims a voice, which NIELSEN did while protecting their
21 identity.

22 63. Upon information and belief, Defendants WYNN RESORTS, MADDOX, STERN,
23 and SINATRA purposely intruded upon Plaintiff NIELSEN'S privacy by arranging the covert
24 operation to secure information about and from Plaintiff NIELSEN that might potentially aid Steve
25 Wynn in his defamation lawsuit against Plaintiff NIELSEN.

26 64. These wrongful acts of Defendants, including this now-disclosed covert sting operation
27 and perhaps others, were part of an effort to chill not only Plaintiff NIELSEN from cooperating with
28 regulatory entities (conducting investigations) but to chill the speech of other current and former

1 WYNN RESORTS employees who were being asked to participate in regulatory investigations or
2 speaking the truth to the media.

3 65. Defendants' covert operation (which intruded upon Plaintiff NIELSEN at his place of
4 business and involved deceiving Plaintiff NIELSEN and his employer) ultimately yielded no
5 derogatory evidence, reinforcing its illegitimacy.

6 66. Plaintiff NIELSEN had an actual and reasonable expectation of privacy in his
7 workplace for himself and for his clients, and that the employer he had left five years earlier would
8 not be improperly intruding into his new workplace or in his personal life.

9 67. Defendants improperly invaded Plaintiff NIELSEN's privacy and upon Plaintiff
10 NIELSEN's seclusion by authorizing and undertaking the undercover sting operation which involved
11 arranging for an individual to pose as a legitimate hair salon customer of Plaintiff at Plaintiff
12 NIELSEN'S place of business.

13 68. Based on their prior relationship and dependence on Steve Wynn for their corporate
14 positions, their compensation, and their continued good fortune and position in the gaming industry,
15 it is believed that the individual Defendants, MADDOX, SINATRA, and STERN may have done so in
16 order to pass on or otherwise provide to Steve Wynn with derogatory or personal information the
17 undercover agent was able to gather to be used against Plaintiff NIELSEN and others who had spoken
18 out against Steve Wynn.

19 69. The individual Defendants, MADDOX, SINATRA, and STERN misused and abused
20 their corporate positions, power, and authority with the corporate Defendants, including using
21 corporate funds and the cover of the corporate entity to shield their activities from scrutiny.

22 70. Shortly after this undercover sting operation against Plaintiff NIELSEN was
23 undertaken, Steve Wynn filed a defamation lawsuit against Plaintiff NIELSEN.

24 71. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, Defendants
25 also undertook surveillance activities of other, then current employees in the Salon in this same
26 timeframe, i.e. after Steve Wynn had already relinquished his positions (February 6, 2018) and his
27 ownership interest in Defendants.

28 72. Defendants did not bring a halt to these offensive sting and surveillance activities on

1 their own initiative but appear to have done so only after disclosing them to Massachusetts gaming
2 regulators. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, regulators were
3 concerned that Defendants' surveillance of employees and covert sting operation activities would
4 interfere with ongoing gaming investigations that were being conducted into WYNN RESORTS and
5 insisted they stop and refrain from engaging in this conduct.

6 73. As a direct and proximate result of Defendants' actions, Plaintiff NIELSEN has been
7 injured and damaged, in a sum in excess of \$15,000.00.

8 74. Defendants' actions are highly offensive to a reasonable person, suggestive of an intent
9 to impede legitimate claims and public statements to be made by Plaintiff NIELSEN and others about
10 years of misconduct by Steve Wynn and others, by obstructing gaming enforcement investigations,
11 by intimidating possible witnesses, so to be outrageous and malicious, and thus entitling Plaintiff to
12 recover punitive damages in an amount to be determined at trial sufficient to punish and deter
13 Defendants. Nevada and Massachusetts gaming regulators have imposed a total of \$55.5 Million
14 Dollars in fines on Defendants (and their related entities), which the corporate Defendants appear to
15 have agreed to and paid, demonstrating the consciousness of their wrongful conduct.

16 75. As a direct and proximate result of Defendants' actions, Plaintiff NIELSEN has had to
17 engage the services of an attorney, incurring attorney's fees and costs to bring this action, which he
18 should be entitled to recover.

19 **SECOND CAUSE OF ACTION**

20 **Tortious Interference with Employment Relationship and Economic Advantage**

21 76. Plaintiff NIELSEN repeats and realleges all preceding paragraphs as though fully set
22 forth herein.

23 77. According to the Mass Gaming Commission 3/15/19 *Investigative Report*, which
24 collected admissions and disclosures made by WYNN RESORTS to Massachusetts gaming
25 regulators, in 2018 an undercover sting operation was authorized by Defendants against Plaintiff
26 NIELSEN, who had left Defendants' employ in 2013, to be undertaken in the Palms Salon where
27 Plaintiff was then employed.

28 78. This undercover sting operation was concocted, initiated and arranged by Defendant

1 STERN, approved by Defendants MADDOX and SINATRA, paid for by the named or fictitious
2 business entity Defendants nearly three months after Plaintiff Nielsen was identified as a named
3 source in media reports about the misconduct of Steve Wynn, and two months after Steve Wynn had
4 relinquished his corporate positions.

5 79. Upon information and belief, and based on the disclosures in the Massachusetts
6 Gaming Commission investigation made by Wynn-related entities and Wynn-related individuals
7 subject to licensing by Massachusetts gaming authorities, the Defendants' undercover sting operation
8 against the Plaintiff involved sending an undercover operative to Plaintiff NIELSEN'S place of
9 business (the Salon at Palms Casino Resort) in late March 2018, under the guise of being a legitimate
10 client, and having the undercover operative question Plaintiff NIELSEN.

11 80. It was extreme and outrageous for Defendants to send a secret operative to Plaintiff
12 NIELSEN's place of business under the guise of being a hair appointment client, in an effort to
13 covertly gather information from Plaintiff.

14 81. As a direct and proximate result of Defendants' acts, and each of them, Plaintiff
15 NIELSEN sustained injuries in a sum in excess of \$15,000.00.

16 82. Defendants, and each of them, conducted themselves in an extreme and outrageous
17 manner with either the intention of, or reckless disregard for, the possibility that this might interfere
18 with the existing employment relationship and economic advantage Plaintiff NIELSEN had with his
19 current employer.

20 83. Plaintiff NIELSEN seeks punitive damages in an amount to be determined at trial as
21 Defendants' acts, and each of them, were highly offensive to a reasonable person and malicious in an
22 amount sufficient to punish and deter Defendants from engaging in this conduct.

23 84. As a direct and proximate result of Defendants' actions Plaintiff NIELSEN has had to
24 engage the services of an attorney, incurring attorney's fees and costs, to bring this action, which he
25 should be entitled to recover.

26 **THIRD CAUSE OF ACTION**

27 **Civil Conspiracy**

28 85. Plaintiff NIELSEN repeats and realleges all preceding paragraphs as though fully set

1 forth herein.

2 86. There were mountains of evidence about the wrongdoing of Steve Wynn, which
3 Defendants knew or should have known about, or, as gaming regulators concluded, that Defendants
4 ignored or failed to investigate or share with each other. As such, Defendants should have recognized
5 the pattern and pervasiveness, such that Defendants' actions in relation to Plaintiff Nielsen in 2018
6 constitute a civil conspiracy because two or more of them acted in concert with each other, intending
7 to accomplish an unlawful objective which included the purpose of harming Plaintiff NIELSEN, and
8 aiding wrongdoer Steve Wynn.

9 87. As a direct and proximate result of Defendants' actions, Plaintiff has suffered damages
10 in a sum in excess of \$15,000.00.

11 88. As a direct and proximate result of Defendants' actions Plaintiff has had to engage the
12 services of an attorney, incurring attorney's fees and costs to bring this action, which he should be
13 entitled to recover.

14 **FOURTH CAUSE OF ACTION**

15 **Concert of Action**

16 89. Plaintiff NIELSEN repeats and realleges all preceding paragraphs as though fully set
17 forth herein.

18 90. Defendants WYNN RESORTS, and individual Defendants MADDOX, SINATRA,
19 and STERN acted in concert (agreement) with one another pursuant to the common design of
20 committing one or more torts, including but not limited to covertly seeking to obtain derogatory
21 information to be used against Plaintiff NIELSEN and/or to pass on to disgraced and departed Steve
22 Wynn.

23 91. Based on their prior close relationship and their dependence on Steve Wynn for their
24 corporate positions, their compensation and their continued good fortune and position in the gaming
25 industry, and their misplaced loyalty to Steve Wynn in derogation of their fiduciary or corporate
26 responsibilities, it is believed that the individual Defendants MADDOX, SINATRA and STERN
27 planned to secure derogatory information and then planned to provide it to Steve Wynn so that it
28 could be used against Plaintiff NIELSEN and others. As high-level executives, they had the power

1 and authority to effectuate this misuse of corporate funds for this purpose and use the cover of the
2 corporate entity to shield their activities from scrutiny.

3 92. Similarly, the corporate DEFENDANTS failed to take steps to rein in the power and
4 authority of the individual DEFENDANTS, known to be loyal and dependent on Steve Wynn, and
5 ignored the likelihood that they (the individual DEFENDANTS) might continue to be loyal to Steve
6 Wynn and might act to protect or assist him, or to cover up their own complicity in ignoring,
7 facilitating, or covering up his wrongdoing in the past.

8 93. Defendants' actions have the effect of deterring former and current WYNN RESORTS
9 employees from freely speaking to regulatory investigators or law enforcement officials.

10 94. As a direct and proximate result of Defendants' acts, and each of them, Plaintiff
11 NIELSEN sustained damage in a sum in excess of \$15,000.00.

12 95. Defendants, and each of them, conducted themselves in an extreme and outrageous
13 manner with either the intention of, or reckless disregard for, the possibility that these actions, in
14 concert, might damage Plaintiff NIELSEN.

15 96. Thus, Plaintiff NIELSEN seeks punitive damages because Defendants' actions and
16 omissions, were highly offensive to a reasonable person and malicious in an amount to be determined
17 at trial sufficient to punish and deter Defendants and all others from engaging in this conduct.

18 97. As a direct and proximate result of Defendants' actions Plaintiff NIELSEN has had to
19 engage the services of an attorney, incurring attorney's fees and costs to bring this action, which he
20 should be entitled to recover.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiff NIELSEN prays for judgment against Defendants, and each of
23 them, as follows:

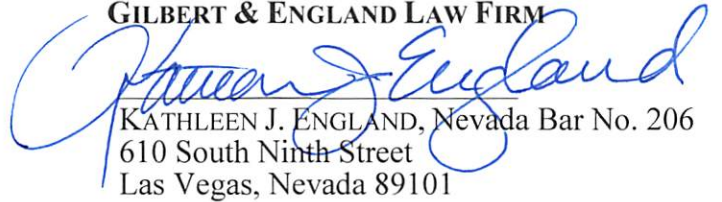
- 24 1. For general damages sustained by Plaintiff NIELSEN in an amount in excess of
25 \$15,000.00;
26 2. For special damages sustained by Plaintiff NIELSEN in an amount in excess of
27 \$15,000.00;
28 3. For punitive damages in an amount to be determined at trial;

- 1 4. For reasonable attorneys' fees and costs of suit;
2 5. For interest at the statutory rate, and
3 6. For such other relief as the Court deems just and proper.

4 DATED this 17th day of October, 2019.

5 Respectfully submitted,

6 **GILBERT & ENGLAND LAW FIRM**

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