



**FOR IMMEDIATE RELEASE:**

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## **The Massachusetts Gaming Commission Issues Decision and Order Regarding Suitability of Wynn Resorts and Wynn MA, LLC**

*Commissioners Impose \$35 Million Fine, Require Independent Monitor among other Penalties and Conditions, Citing 'Systemic Failures' and 'Pervasive Culture of Non-Disclosure'*

Today the Massachusetts Gaming Commission (MGC) released its Decision and Order regarding the suitability of Wynn Resorts, Limited, Wynn MA, LLC, and its individual qualifiers. In reaching its decision, the five-member commission carefully considered all of the facts presented in the comprehensive Investigations and Enforcement Bureau (IEB) report, as well as the witness testimony and evidence, entered into the record during and after the [adjudicatory hearing](#) held on April 2-4, 2019.

This decision arises out of the MGC's year-long investigation into allegations of sexual assault, misconduct and other inappropriate behavior, and the handling of those allegations by the company.

"Ensuring public confidence in the integrity of the gaming industry and the strict oversight of the gaming establishments through rigorous regulation is our principal objective," said Chair Cathy Judd-Stein. "Our licensees will be held to the highest standards of compliance, including an obligation to maintain their integrity. The law of Massachusetts affords the Commission significant breadth in our decision making. With that comes an equally significant duty of fairness. We are confident that we have struck the correct balance and met our legal and ethical burdens."

After lengthy deliberations and for the reasons detailed in the written decision, commissioners conclude that Wynn Resorts, Wynn MA, LLC and its qualifiers remain and are suitable to maintain the Region A Category-1 gaming license, subject to the fines and conditions set forth in the decision.

According to the decision, the Commission identified "numerous violations of controlling statutes and regulations largely pertaining to a pervasive failure to properly investigate in accordance with existing policies and procedures, and to notify the Commission about certain allegations of wrongdoing."

As a result, the Commission will impose a **\$35 million fine** on the licensee and require a series of license conditions, including an independent monitor to review and evaluate the company's adherence to policies and organizational changes outlined by Wynn Resorts in the adjudicatory record. Also, Chief Executive Officer Matthew Maddox, whose suitability was sustained by Commission majority, will be assessed a **\$500,000 fine** and be subject to



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license conditions for all the reasons described in the decision, including his clear failure to require an investigation about a specific spa employee complaint brought to his attention.

Although the Commission determined that there was a lack of substantial evidence to disrupt the licensee's suitability status, commissioners were profoundly disturbed by "repeated systemic failures and pervasive culture of non-disclosure presented in the IEB report and adjudicatory hearing."

"Specifically, the corporate culture of the founder-led organization led to disparate treatment of the CEO in ways that left the most vulnerable at grave risk. While the Company has made great strides in altering that system, this Commission remains concerned by the past failures and deficiencies," read the commissioners' decision.

To help ensure future compliance and to punish for past transgressions, the Commission imposes the following penalties and conditions:

1. The Commission will assess a \$35 million fine on Wynn Resorts.
2. Wynn Resorts shall maintain the separation of Chair and CEO for at least the term of the license (15 years).
3. At Wynn's expense, the Commission, as more fully described in the decision, will select an independent monitor to conduct a full review and evaluation of all policies and organizational changes adopted by the Company as part of the Adjudicatory record.
4. The Board of Directors shall provide the Commission timely reports of all Directors' attendance records of both Board and assigned Committee meetings.
5. Wynn MA, LLC shall train all new employees on the Preventing Harassment and Discrimination Policy within three months of opening.
6. Any civil or criminal complaints or other actions filed in any court or administrative tribunal against a qualifier shall be reported to the Commission immediately upon notice of the action.
7. The Commission will assess a \$500,000 fine on Wynn CEO Matthew Maddox.
  - a. The Board of Directors shall engage an executive coach and any additional necessary resources to provide the coaching and training to Mr. Maddox focused on but not limited to (i) leadership development, (ii) effective and appropriate communication for internal, company-wide reporting and messaging, (iii) enhanced sensitivity to and awareness of human resource issues arising in complex workplace environments that, without limitation, relate to diversity (including disability), implicit bias, hostile work environments, inherent coercion, sexual harassment and assault, human



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trafficking and domestic violence and (iv) team building and meaningful collaboration.

“Given our findings, it is now in the interest of the Commonwealth that the gaming licensee move forward in establishing and maintaining a successful gaming establishment in Massachusetts. One of the key metrics by which we will measure that success will be the overall well-being, safety, and welfare of the employees. A second but equally important metric is the importance of compliance and communication with the regulator. This penalty is designed to guarantee these practices,” said commissioners in its decision.

The Commission acknowledges that the company has introduced a multitude of policy and organizational changes to address employee safety. Furthermore, the Commission concludes “[t]hese changes to the company’s philosophy, training, and operations show a new found commitment and focus on all levels of employees, which combined with the ongoing successful business operations, continue to demonstrate that Wynn is likely to be a successful operator in Everett.”

The Commission’s decision with the full list of findings and conditions can be found [here](#).



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