



NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

NEWS

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Tyrone Stevens

(212) 669-4328

tsteven@comptroller.nyc.gov

Nicholas Paolucci

New York City Law Department

(212) 356-4000

pressoffice@law.nyc.gov

**After Steve Wynn Sexual Harassment
Scandal, NYC Pension Funds Join
Lawsuit Against Wynn Resorts' Board**

of Directors

(New York, NY) — New York City's five public pension funds have voted to join a lawsuit alleging officers and directors of Wynn Resorts Ltd. were aware of the longstanding sexual misconduct of former CEO Stephen Wynn, but failed to investigate or hold him accountable. The original derivative lawsuit was filed in February by New York State Comptroller Thomas P. DiNapoli, as administrative Head of the New York State and Local Retirement System and Trustee of the New York State Common Retirement Fund.

Derivative lawsuits permit shareholders, such as the pension funds, to take legal action on behalf of a corporation when its officers or directors have failed to meet their fiduciary obligations. The New York City Pension Funds, with New York City Comptroller Scott M. Stringer serving as Investment Advisor, and Comptroller DiNapoli are pursuing a governance overhaul at Wynn Resorts in order to ensure that its board is truly independent and that the company complies with all applicable laws that protect employees from the repeated injurious actions described in the complaint.

As alleged in the amended complaint, which was filed March 23, 2018:

Wynn Resorts founder, former Chief Executive Officer and Chairman, Stephen A. Wynn, brazenly engaged in a decades-long pattern of sexual abuse and harassment of company employees that remained unchecked, tacitly permitted, and eventually covered up by certain Wynn Resorts officers and directors in breach of their fiduciary duties to stockholders. Defendants failed to investigate numerous allegations of sexual abuse and harassment or take any steps to prevent Steve

Wynn's further abuse and harassment of employees and thereby create a safer workplace environment for Wynn Resorts employees. The defendants also failed to take any disciplinary action against Steve Wynn or to implement internal controls that would require the Board to be immediately notified of further allegations of abuse and harassment.

Further, despite their awareness of numerous allegations of his harassment, abuse and even assault of employees, the Board failed to take any disciplinary action against Steve Wynn, instead permitting him to simply resign from the Company without being held accountable. Defendants' breaches of their fiduciary duties have damaged Wynn Resorts' stockholders by, among other things leaving the Company, which has already suffered enormous reputational damage, exposed to numerous lawsuits, the risk of losing its gaming licenses, and possible regulatory sanctions.

The New York City pension funds, consisting of the New York City Employees' Retirement System, New York City Teachers' Retirement System, New York City Police Pension Fund, New York City Fire Pension Fund, and New York City Board of Education Retirement System, are collectively the fourth largest pension system in the United States with more than \$175 billion in assets under management.

The New York City Pension Funds and the New York State Comptroller are represented in this action by Cohen Milstein Sellers & Toll PLLC, outside counsel overseen by the New York City Law Department.

To view the complaint, please click [here](#).

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