IN THE SUPREME COURT OF THE STATE OF NEVADA

ELAINE P. WYNN,

Petitioner,

VS.

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THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF CLARK; AND THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE,

Respondent,

WYNN RESORTS, LIMITED, a Nevada Corporation, KAZUO OKADA, an individual, ARUZE USA, INC., a Nevada Corporation, and UNIVERSAL ENTERTAINMENT CORP., a Japanese Corporation,

Real Parties in Interest.

Case No. 71432
Electronically Filed
Jan 11 2017 11:36 a.m.
WYNN RESORTS ILIMITED'S
OPPOSITION TO FLATIE PORTIONS OF APPENDIX TO
WRIT UNDER SEAL

I. INTRODUCTION

To obtain the relief sought in her Motion to File Portions of Appendix to Writ Under Seal (the "Motion"), Elaine P. Wynn must show that there is good cause for Volumes Three through Six of the Appendix to the Petition for Writ of Prohibition or, in the Alternative, Mandamus (the "Petition") to be sealed in their entirety under SRCR 3. Relying only on the fact that the documents were filed under seal in District Court, Ms. Wynn omits that they were filed entirely under seal – and even kept from the other litigants – because of her threats of collateral litigation against Wynn Resorts, Limited ("Wynn Resorts") if the information was publicly disclosed. To Ms. Wynn, the entire briefs were confidential: the headings, the introduction, the facts, the legal argument, and the application and, if revealed, Wynn Resorts was subject to liability (so argued Ms. Wynn).

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But, since then, Ms. Wynn decided that her one-sided narrative can and should be disclosed in her Petition, and forewent seeking to extend the stay of the District Court order compelling the service of those same filings to the Okada Parties. In other words, Ms. Wynn has decided that some of the story can be available to the public; just not the parts that support Wynn Resorts' argument (which was successful at the District Court).

Given the misuse of the motions to seal and her desire to disregard the orders and waive confidentiality when it suits her, Ms. Wynn cannot just ask that filings be kept under seal. Rather, Ms. Wynn must meet her burden to provide the reasonable redactions necessary to protect truly Confidential and Highly Confidential information from public view.¹

II. BACKGROUND

The Wynn Parties' Protective Order with Respect to Confidentiality (the "Protective Order"), signed by counsel for Ms. Wynn and entered by the District Court on February 14, 2013, governs the use of Confidential and Highly Confidential Information in the underlying litigation. Specifically, Sections 11 and 12 prevent the disclosure of Confidential and Highly Confidential information to parties not involved in the litigation. Since the Protective Order was entered, the parties have consistently redacted their filings, or filed them under seal, to prevent the disclosure of Confidential or Highly Confidential information in publicly-available filings.

Following the District Court entering a stay of discovery based on Ms. Wynn and her counsel's possession and use of Wynn Resorts' privileged information,

Indeed, Wynn Resorts already identified the portions of the underlying filings that contain its Confidential and Highly Confidential information under the Protective Order. Therefore, Ms. Wynn need only respect Wynn Resorts' designations (subject to the challenging provisions of the Protective Order) and submit those to this Court in a properly-redacted appendix.

Ms. Wynn sent a letter, drafted by her counsel, to Wynn Resorts' Audit Committee, copying Ernst & Young (Wynn Resorts' independent auditors). The letter discusses Highly Confidential and Confidential information obtained during the course of litigation. Ms. Wynn was prohibited from using Highly Confidential information obtained from discovery materials in the litigation under Sections 11 or 12 of the Protective Order for such purposes, absent consent or court order.

On July 20, 2016, Wynn Resorts filed an *Ex Parte* Application for Temporary Restraining Order, Motion for Preliminary Injunction, and Motion for Sanctions for Violations of the Protective Order, based on Ms. Wynn's misuse of Confidential and Highly Confidential information in violation of the Protective Order. Although the document is titled an "ex parte application," Ms. Wynn was provided notice of the hearing, prepared and filed an opposition to the application, and participated in an oral hearing on the application.

The District Court entered a Temporary Restraining Order, and allowed both Wynn Resorts and Ms. Wynn to conduct limited and specific discovery related to Ms. Wynn's violations of the Protective Order prior to the evidentiary preliminary injunction hearing. As part of that discovery, Wynn Resorts was granted leave to take a limited deposition of Ms. Wynn. It was not until Ms. Wynn was faced with the obligations of her deposition that she first argued she was somehow a whistleblower and entitled to not answer for her misconduct under the Protective Order. Faced with an unwanted deposition, Ms. Wynn moved for a protective order claiming that Wynn Resorts' disclosure of her communications and her claims she was a whistleblower constituted retribution under the Dodd-Frank Act ("DFA") and Sarbanes-Oxley ("SOX"). It was in this context that Ms. Wynn demanded that all related filings be made under seal, otherwise she would bring federal litigation against Wynn Resorts for violation of her supposed rights as a protected person. She also asked that the other parties to the litigation, Kazuo Okada, Aruze USA, Inc., and

Universal Entertainment Corporation (collectively the "Okada Parties") be excluded from even receiving service of the filings.

The filings in Volumes Three through Six of the Appendix that Ms. Wynn seeks to seal in their entirety consist primarily of District Court filings filed fully under seal (including exhibits), and Elaine P. Wynn's Notice of Filing Errata to Deposition Transcript of Elaine P. Wynn Taken August 15, 2016. In the Okada Parties' Motion to Compel Service of Certain Filings and the Deposition Transcript of Elaine P. Wynn (the "Motion to Compel"), the District Court granted the Okada Parties' request for service of these very filings that Ms. Wynn seeks to seal. Ms. Wynn initially sought, and received, a stay of this order through October 20, 2016. Ms. Wynn apparently abandoned her previous argument that service of these filings on the Okada Parties would defeat the purpose of the Petition, and agreed that these documents can be served on the Okada Parties.

Ms. Wynn's deposition transcript was also the subject of the Okada Parties' Motion to Compel. On September 6, 2016, Ms. Wynn designated the entirety of her deposition transcript as Highly Confidential under the Protective Order, despite the Protective Order's explicit requirement that "[i]ndescriminate designations are prohibited." (1 App. 000002.) Wynn Resorts challenged the indiscriminate designations, asked the District Court to adopt Wynn Resorts' confidentiality designations and allow Wynn Resorts to provide the entirety of Ms. Wynn's deposition transcript to Ernst & Young and the Wynn Resorts' Special Committee ("Motion to Adopt"). The District Court granted Wynn Resorts' motion. Again, Ms. Wynn sought and received a stay of the District Court's order with respect to downgrading the entirety of the deposition transcript from Highly Confidential through October 20, 2016.

Despite these stays, Ms. Wynn filed her Petition without any redactions based on the argument that the Petition itself does not include the substance of the

communication between Ms. Wynn and the Audit Committee or Ernst & Young. This is a notable distinction from her previous position that Wynn Resorts was retaliating against her by even mentioning her claim that she was entitled to some sort of whistleblower protections. Now that Ms. Wynn's entire Petition is publicly available, it has resulted in media coverage of her claims.² The Petition includes substantive discussion of Ms. Wynn's communications with Ernst & Young and Wynn Resorts' Audit Committee. (Pet. at 5-9.) Ms. Wynn refers to and even quotes extensively from her deposition transcript that was Highly Confidential under the Protective Order through October 20, 2016, based on her request for a stay of the order at the District Court level. (*Id.* at 12-16, 52.) Wynn Resorts filed its Notice of Intent to File an Opposition to Elaine P. Wynn's Motion to File Portions of Appendix to Writ Under Seal (the "Notice of Intent") on October 10, 2016.

As the limited stay was nearing its end date, Wynn Resorts and Ms. Wynn filed competing motions. Wynn Resorts moved to lift the stay and for sanctions based on Ms. Wynn's disregard for the stay in order to disclose facts in her Petition and garner media attention. Ms. Wynn moved to extend the stay, raising no new arguments except that by filing its Notice of Intent, Wynn Resorts caused a delay in the Petition proceedings sufficient to warrant an extension through the pendency of the proceedings. On October 20, 2016, the District Court heard competing motions regarding the status of the stay. The District Court denied Wynn Resorts' motion to lift stay, finding it moot since the stay was to expire on its own terms that day. The District Court also denied Ms. Wynn's motion to extend the stay. As a result of this denial, Ms. Wynn filed her Motion to Extend District Court's Stay Pending Writ

E.g., Edvard Pettersson, Wynn Resorts Chief's Ex-Wife Seeks Whistle-Blower Protection, BLOOMBERG (Oct. 7, 2016), http://www.bloomberg.com/news/articles/2016-10-07/wynn-resorts-chief-s-ex-wife-seeks-whistle-blower-protection; Elaine Wynn Seeks Whistleblower Protection, Las VEGAS REVIEW JOURNAL (Oct. 7, 2016), http://www.reviewjournal.com/business/casinos-gaming/elaine-wynn-seeks-whistleblower-protection-report-says.

Petition and Rule 27(e) Emergency Motion for Interim Extension of Stay (the "Motion to Extend") that same day, which sought a significantly more narrow stay. Ms. Wynn had previously included the Motion to Compel and Motion to Adopt in her stay, which would have kept the filings under seal and her deposition transcript from the Okada Parties; Now, Ms. Wynn's Motion to Extend did not include either of these Motions. In fact, Ms. Wynn consented to service of the underlying filings on the Okada Parties. (Ex. A, Letter from M. Zeller to Counsel, October 21, 2016.) The Court filed its Order Granting Temporary Stay on October 21, 2016.

In light of Ms. Wynn's contradictory position, and the convoluted nature of her claims of confidentiality, Wynn Resorts asks that Ms. Wynn's Motion to Seal be denied. Instead, it is Ms. Wynn's burden to redact or seal Confidential or Highly Confidential information consistently and in compliance with the Protective Order, this includes the filings in her Appendix. Her wholesale claims of sealing, particularly where she then publicly quotes from the documents she wants sealed, is improper.

III. ARGUMENT

Because the public generally has the right to inspect judicial records, judicial records are "presumptively publicly accessible." *Kamakana v. City & Cnty. of Honolulu*, 447 F.3d 1172, 1178 (9th Cir. 2006). Therefore, it is the burden of the party seeking to have the public records sealed to show that there is a "compelling reason" to have the information withheld from the public. *Id.* "Every court has supervisory power over its own records and files,' and the decision to allow access to court records is best left to the sound discretion of the court." *Howard v. State*, 128 Nev. Adv. Op. 67, 291 P.3d 137, 141 (quoting *Nixon v. Warner Commc'ns, Inc.*, 435 U.S. 589, 598 (1978)).

SRCR 3(4) sets forward the grounds under which this Court may seal or redact the court records. Ms. Wynn argues that "[i]t is necessary to seal these documents in

this Court to 'further[] . . a protective order entered under NRCP 26(c).' SRCR 3(4)(b)." (Motion at 1.) However, SRCR 5(b) states that "[a] court record shall not be sealed under these rules when reasonable redaction will adequately resolve the issues before the court under subsection 4 above."

Ms. Wynn argues that because the documents included in Volumes Three through Six were filed under seal in the District Court, these documents should be filed under seal when included in the Appendix to the Petition. However, Ms. Wynn fails to acknowledge that the filings were sealed based on *her own previous position* that any discussion of her whistleblowing activities constituted retaliation by Wynn Resorts. Now, Ms. Wynn is arguing that the only information that should not be publicly available is the substance of the communications between her and the Audit Committee or Ernst & Young. This is not the standard by which the filings were sealed, and it is her obligation to provide the narrowly tailored redactions as required by SRCR 5(b). By failing to do so, Ms. Wynn is improperly controlling the publicly available information.

Previously, Ms. Wynn argued in opposing Wynn Resorts' Motion to Adopt that the entirety of her deposition transcript must be kept Highly Confidential under the Protective Order because

(Ex. B, Elaine P. Wynn's Opp. to Wynn Resorts, Limited's Mot. To (1) Adopt its Confidentiality Designations, et al., at 8.) There are no other reasons than gamesmanship and a desire to control and tell a false story to explain why Ms. Wynn has now decided to publicly discuss her so-called whistleblower status in this writ proceeding by (1) not following the very stay orders she sought and obtained; (2) by not moving to seal all or redact parts of her Petition, which contains the very same arguments and information she fought desperately to seal in the District Court; and (3) keeping sealed for as long as she can Wynn Resorts' position

and the portion of Ms. Wynn's deposition transcript that is neither Confidential nor Highly Confidential under the Protective Order.

It is Ms. Wynn's obligation to show there is good cause for the information to be sealed in its entirety under SRCR 3. By failing to propose reasonable reductions to protect only the Confidential and Highly Confidential Information as required by SRCR 3(5)(b) and instead moving to seal entire filings, Ms. Wynn has shown that it was her motive to disclose only the narrow information she wanted to be public. Simply stating that the underlying filings have been sealed is not enough without addressing the Confidential and Highly Confidential Information under the Protective Order included in the Petition itself.

IV. CONCLUSION

Ms. Wynn Motion to Seal, as it is currently pled, is insufficient to seal Appendix Volumes Three through Six in their entirety. It is Ms. Wynn's obligation to show that they should be sealed, rather than providing reasonable redactions consistent with Ms. Wynn's newfound willingness to publicly discuss the communications she previously argued were protected under federal law. This Court should decline to grant Ms. Wynn's Motion, and instead require reasonable redactions to protect the Confidential and Highly Confidential designations that have been identified by the parties and either approved by the District Court or not yet gone through the process to challenge the designations under the Protective Order.

DATED this 31st day of October, 2016.

PISANELLI BICE PLLC

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and
that on this 31st day of October, 2016, I electronically filed and served by electronic
mail and United States Mail a true and correct copy of the above and foregoing
WYNN RESORTS, LIMITED'S OPPOSITION TO ELAINE P. WYNN'S
MOTION TO FILE PORTIONS OF APPENDIX TO WRIT UNDER SEAL
properly addressed to the following:

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EXHIBIT A

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October 21, 2016

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Re: Aruze USA, Inc. v. Wynn Resorts, Ltd., Case No. A-12-656710-B (Clark County, Nevada)

Dear Counsel:

I write in response to the Okada Parties' October 20, 2016 email regarding compliance with the Order Granting the Aruze Parties' Motion To Compel Service of Certain Filings and the Deposition Transcript of Elaine P. Wynn, entered by the Court on October 12, 2016 and stayed until October 20, 2016 (the "Service Order").

As you know, the Service Order incorporates by reference the provisions of the Protocol Regarding Service of Filings Related to Motion To Disqualify Quinn Emanuel, entered by the Court on September 20, 2016 (the "Redaction Protocol"). Ms. Wynn cannot serve the Okada Parties with copies of any Sarbanes-Oxley or Dodd-Frank filings or her deposition transcript until the process contemplated by the Redaction Protocol is complete. Ms. Wynn describes the current status of that process below.

Ms. Wynn's Sarbanes-Oxley and Dodd-Frank Pleadings

Pursuant to Paragraph 2 of the Redaction Protocol, Ms. Wynn has completed the privilege review of the following Sarbanes-Oxley and Dodd-Frank filings that she did not serve upon the Okada Parties, or served in redacted form:

- Elaine P. Wynn's Motion for Protective Order Regarding Wynn Resorts' Violations of the Dodd-Frank and Sarbanes-Oxley Act on Order Shortening Time, or in the Alternative Motion for Stay of Discovery Pending Resolution of the Motion and/or Writ Petition if the Motion is Denied (Aug. 8, 2016);
- Elaine P. Wynn's Response to Wynn Resorts, Limited's Motion for Limited and Specific Relief Related to the Protective Order With Respect to Confidentiality (Aug. 10, 2016);
- Elaine P. Wynn's Supplement to Motion for Protective Order Regarding Wynn Resorts' Violations of the Dodd-Frank and Sarbanes-Oxley Act on Order Shortening Time, or in the Alternative Motion for Stay of Discovery Pending Resolution of the Motion and/or Writ Petition if the Motion is Denied (Aug. 10, 2016);
- Elaine P. Wynn's Motion To Modify/Clarify or, in the Alternative, Stay the Court's Temporary Restraining Order Dated August 12, 2016, Pending Appeal on an Order Shortening Time (Aug. 26, 2016);
- Elaine P. Wynn's Opposition to Wynn Resorts, Limited's Motion To Compel Elaine P. Wynn To Answer Deposition Questions, To Extend Deposition Time and for Sanctions; on Order Shortening Time (Sept. 1, 2016);
- Elaine P. Wynn's Supplemental Reply in Support of Her Motion for Protective Order Regarding Wynn Resorts' Violations of the Dodd-Frank and Sarbanes-Oxley Act, or in the Alternative, Motion for Stay (Sept. 15, 2016);
- Elaine P. Wynn's Notice of Filing Errata to Deposition Transcript of Elaine P. Wynn Taken August 15, 2016 (Sept. 19, 2016);
- Elaine P. Wynn's Motion for Leave To Take Discovery Regarding Her Protected Status and Wynn Resorts' Violations of the Dodd-Frank and Sarbanes-Oxley Whistleblower Anti-Retaliation Statutes on Order Shortening Time (Sept. 20, 2016); and
- Elaine P. Wynn's Opposition to Wynn Resorts, Limited's Motion To (1) Adopt its Confidentiality Designations for Elaine P. Wynn's Deposition Testimony, (2) Provide the Entirety of Her Deposition Testimony to Ernst & Young, and (3) Provide Certain Materials to Wynn Resorts, Limited's Special Committee; Application for Order Shortening Time (Sept. 26, 2016).

Debra L. Spinelli, Esq. October 21, 2016

Ms. Wynn does not believe any of these filings disclose the substance of privileged communications or work product. Ms. Wynn will serve copies of these filings on the Okada Parties after Wynn Resorts has complied with its obligations pursuant to Paragraphs 3 and 4 of the Redaction Protocol.

Wynn Resorts' Sarbanes-Oxley and Dodd-Frank Pleadings

Pursuant to Paragraph 2 of the Redaction Protocol, Ms. Wynn understands that Wynn Resorts will conduct its own privilege review of the following Sarbanes-Oxley and Dodd-Frank filings that it did not serve upon the Okada Parties, or served in redacted form:

- Wynn Resorts, Limited's Opposition to Elaine P. Wynn's Motion for Protective Order or in the Alternative Motion for Stay of Discovery (Aug. 10, 2016);
- Wynn Resorts, Limited's Notice of Submission of Materials for *in Camera* Review (Aug. 23, 2016);
- Wynn Resorts, Limited's Motion To Compel Elaine P. Wynn To Answer Deposition Questions, To Extend Deposition Time and for Sanctions; on Order Shortening Time (Aug. 29, 2016);
- Wynn Resorts, Limited's Supplemental Opposition to Elaine P. Wynn's Motion for Protective Order, or in the Alternative, Motion for Stay of Discovery (Sept. 7, 2016);
- Wynn Resorts, Limited's Motion To (1) Adopt its Confidentiality Designations for Elaine P. Wynn's Deposition Testimony, (2) Provide the Entirety of Her Deposition Testimony to Ernst & Young, and (3) Provide Certain Materials to Wynn Resorts, Limited's Special Committee; Application for Order Shortening Time (Sept. 23, 2016); and
- Wynn Resorts, Limited's Opposition to Elaine P. Wynn's Motion for Leave To Take Discovery Regarding Her Protected Status and Wynn Resorts' Violations of the Dodd-Frank and Sarbanes-Oxley Whistleblower Anti-Retaliation Statutes on Order Shortening Time (Sept. 26, 2016).

After Wynn Resorts informs Ms. Wynn of the status of its own privilege review, Ms. Wynn will comply with her obligations under Paragraphs 3 and 4 of the Redaction Protocol. Ms. Wynn understands that Wynn Resorts will serve the Okada Parties with these filings after the process contemplated by the Redaction Protocol has been completed.

Debra L. Spinelli, Esq. October 21, 2016

Ms. Wynn's August 15, 2016 Deposition Transcript

Ms. Wynn's deposition transcript is attached as an exhibit to Wynn Resorts, Limited's Supplemental Opposition to Elaine P. Wynn's Motion for Protective Order, or in the Alternative, Motion for Stay of Discovery, filed on September 7, 2016. Ms. Wynn understands that Wynn Resorts will release this transcript to the Okada Parties, which is an exhibit to a Wynn Resorts filing, after the process contemplated by the Redaction Protocol has been completed.

Sincerely,

Michael T. Zeller, Esq.

cc: Counsel of record

EXHIBIT B

SUBMITTED UNDER SEAL **PURSUANT** TO CONFIDENTIALITY **ORDER**