Wynn Resorts Settles Lawsuit for $2.4B Over Forced Redemption of Shares



Image by Tony webster

The Associated Press **is reporting** that Wynn Resorts has agreed to pay $2.4 billion in a settlement with a Tokyo casino game maker and its U.S. unit over the forced redemption of their shares in the Las Vegas-based casino operating company in 2012.

The report by Regina Garcia Cano says the company settled with Universal Entertainment Corp., which previously held an almost 20 percent stake in Wynn Resorts through its subsidiary Aruze USA Inc.

“The legal fight between the companies dates back to 2012, when Wynn Resorts pushed out Universal’s founder Kazuo Okada after finding the Japanese tycoon made improper payments to overseas gambling regulators,” she writes. “The actions by Wynn Resorts stemmed from a separate casino resort project Okada was undertaking in the Philippines.”

Wynn Resorts said it found more than three dozen instances over a three-year period in which Okada and his associates engaged in “improper activities for their own benefit.” Wynn Resorts forcibly redeemed Azure’s shares in February 2012 and issued a 10-year, $1.9 billion promissory note, leading to the lawsuit.

Read the AP article.