



Via Email

June 8, 2017

Sonia Barros
Assistant Director, Office 8
Securities and Exchanges Commission
100 F Street NE
Washington, DC 20549-1090

RE: Red Rock Resorts, Inc. – Form of Proxy Must Provide for Withholding of Authority to Vote

Dear Ms. Barros,

We write to inform you of a violation of SEC Rule 14a-4(b)(2) in Red Rock Resorts, Inc.'s ("Red Rock") SEC Form DEF 14A filed on May 1, 2017, and subsequently in the company's SEC Form DEF 14A filed on May 26, 2017. The company does not provide shareholders with a clear means to withhold their votes for the election of director nominees under its plurality voting system.

We respectfully request that you require Red Rock to correct the proxy materials and redistribute them in order to afford shareholders withholding authority. In case the company does not do so, since there are not clear instructions on how to withhold votes in the currently available proxy statement or a "withhold" box on the proxy card, we are informing Red Rock's shareholders to strike out the names of directors in order to withhold their authority to vote. **We additionally request that you direct the company to accept as valid, count and report lining through or striking out the name of a director as a withheld vote.**

Although we are advising Red Rock's shareholders to line through or strike out the names of director nominees in order to withhold their authority to vote, we are unable to provide shareholders instructions on how to withhold their votes on an electronic ballot, which the company has indicated it will provide as one option to vote prior to and during the annual shareholders meeting. **We therefore request that you direct the company to accept as valid, count and report any electronically submitted votes which are not "For" a director as a withheld vote.**

Under 17 C.F.R. § 240.14a-4(b)(2), a proxy that provides for the election of directors must provide means for security holders to withhold authority to vote for each nominee. The proxy may do so by providing: (1) a box indicating that authority to vote is withheld; (2) an instruction that indicates a vote may be withheld by striking out the name of any nominee; (3) a blank space in which the voter may

enter the names of nominees for whom votes are withheld; or (4) any similar means, provided that clear instructions are provided about how to withhold authority.¹

Instead of providing clear means for withholding authority to vote for each nominee, Red Rock Resorts, Inc. has provided a proxy card with a “for,” “against,” and “abstain” as choices.² It does not provide a “withhold” box; it does not provide any instruction about withholding votes by striking through or writing in names of directors for whom votes are withheld, or any similar means for withholding a vote. And the options to vote “against” or to “abstain” are not sufficient to withhold authority: the proxy statement specifies that votes “against” are not given *any* legal effect, and that abstentions “have no effect on the outcome of the vote.”

First, the proxy statement provides that votes against a candidate are not given any legal effect:

Directors are elected by a plurality of the votes cast at the virtual meeting or by proxy at the Annual Meeting and entitled to vote on the election of directors. “Plurality” means that the nominees receiving the greatest number of affirmative votes will be elected as directors, up to the number of directors to be chosen at the meeting. Any votes attempted to be cast “against” a candidate are not given legal effect and are not counted as votes cast in the election of directors. Therefore, any shares that are not voted, whether by withheld authority, broker non-vote or otherwise, have no effect in the election of directors except to the extent that the failure to vote for any individual results in another individual receiving a relatively larger number of votes.³

Second, the proxy statements then provide that abstentions have no effect on the outcome of any proposal:

If you attend the meeting by webcast or send in your signed proxy card, you will still be counted for purposes of determining whether a quorum exists. If you abstain from voting on Proposal 1, 2, 3 or 4, your abstention will have no effect on the outcome of the vote or any of the proposals.⁴

Thus, Red Rock fails to comply with proxy requirements by failing to provide clear instructions about how to withhold authority for nominees.

Sincerely,



Jason Kordosky
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Notes

¹ 17 C.F.R. § 240.14a-4 Requirements as to proxy.

(b)(2) A form of proxy that provides for the election of directors shall set forth the names of persons nominated for election as directors, including any person whose nomination by a shareholder or shareholder group satisfies the requirements of § 240.14a-11, an applicable state or foreign law provision, or a registrant's governing documents as they relate to the inclusion of shareholder director nominees in the registrant's proxy materials. **Such form of proxy shall clearly provide any of the following means for security holders to withhold authority to vote for each nominee:**

- (i) A box opposite the name of each nominee which may be marked to indicate that authority to vote for such nominee is withheld; or
- (ii) An instruction in bold-face type which indicates that the security holder may withhold authority to vote for any nominee by lining through or otherwise striking out the name of any nominee; or
- (iii) Designated blank spaces in which the security holder may enter the names of nominees with respect to whom the security holder chooses to withhold authority to vote; or
- (iv) Any other similar means, provided that clear instructions are furnished indicating how the security holder may withhold authority to vote for any nominee.

Such form of proxy also may provide a means for the security holder to grant authority to vote for the nominees set forth, as a group, provided that there is a similar means for the security holder to withhold authority to vote for such group of nominees. Any such form of proxy which is executed by the security holder in such manner as not to withhold authority to vote for the election of any nominee shall be deemed to grant such authority, provided that the form of proxy so states in bold-face type. Means to grant authority to vote for any nominees as a group or to withhold authority for any nominees as a group may not be provided if the form of proxy includes one or more shareholder nominees in accordance with § 240.14a-11, an applicable state or foreign law provision, or a registrant's governing documents as they relate to the inclusion of shareholder director nominees in the registrant's proxy materials.

Instructions.

1. Paragraph (2) does not apply in the case of a merger, consolidation or other plan if the election of directors is an integral part of the plan.
2. If applicable state law gives legal effect to votes cast against a nominee, then in lieu of, or in addition to, providing a means for security holders to withhold authority to vote, the registrant should provide a similar means for security holders to vote against each nominee. [Delaware law does not give such authority. See 8 Del. C. § 216(3) (providing for plurality vote unless bylaws or certificate of incorporation provides otherwise).]

² A proposal to amend Item 21(b) of Schedule 14A to expressly require the disclosure of the effect of a “withhold” vote is part of a pending rulemaking. See SEC Release No. 34-79164; Proposed Rule Change re: Universal Proxy (File No. S7-24-16) (Oct. 26, 2016). Item 21 currently provides:

Item 21. Voting procedures. As to each matter which is to be submitted to a vote of security holders, furnish the following information:

- (a) State the vote required for approval or election, other than for the approval of auditors.
- (b) Disclose the method by which votes will be counted, including the treatment and effect of abstentions and broker non-votes under applicable state law as well as registrant charter and by-law provisions.

17 C.F.R. § 240.14a-101 (Item 21). The new language is:

- (b) Disclose the treatment and effect under applicable state law and registrant charter and bylaw provisions of abstentions, broker non-votes and, to the extent applicable, a security holder's withholding of authority to vote for a nominee in an election of directors.

³ Red Rock Resorts, Inc., SEC Form DEFR 14A, filed on May 26, 2017, p. 3 [Answering “Q: What is the vote required to elect directors?”]

⁴ Red Rock Resorts, Inc., SEC Form DEFR 14A, filed on May 26, 2017, p. 4 [Answering “Q: What if I abstain from voting?”]