

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

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MADISON SQUARE GARDEN ENTERTAINMENT	:
CORP., MADISON SQUARE GARDEN	:
ENTERTAINMENT HOLDINGS LLC, and MADISON	:
SQUARE GARDEN SPORTS CORP.,	:
	:
	: <u>VERIFIED COMPLAINT</u>
Plaintiffs,	:
	:
-against-	:
	:
ADVANCE MAGAZINE PUBLISHERS INC. d/b/a	:
CONDÉ NAST and WIRED; ADVANCE	:
PUBLICATIONS, INC.; NOAH SHACHTMAN;	:
MADDY VARNER; and KATIE DRUMMOND,	:
	:
Defendants.	:
----- X	

Plaintiffs Madison Square Garden Entertainment Corp. (“MSG Entertainment”), Madison Square Garden Entertainment Holdings LLC (“MSG Holdings”), and Madison Square Garden Sports Corp. (“MSG Sports,” and together with MSG Entertainment and MSG Holdings, “MSG” or “Plaintiffs”), by and through their attorneys, King & Spalding LLP, as and for their Complaint against Defendants Advance Magazine Publishers Inc. d/b/a Condé Nast and Wired, Advance Publications, Inc., Noah Shachtman, Maddy Varner, and Katie Drummond (collectively, “Wired” or “Defendants”), allege as follows upon knowledge as to their own acts and upon information and belief as to all other matters.

NATURE OF THE ACTION

1. Wired and contributing editor Noah Shachtman reported false and purposely misleading “facts” to generate a story with complete disregard for the truth and their ethical obligations as journalists. Specifically, Wired combed the dark web, obtained data stolen from MSG by an extortionist hacking group, and cherry-picked fragments of that data to manufacture a false narrative portraying MSG as targeting the LGBTQIA community for discriminatory

purposes. Nothing could be further from the truth—MSG is a fervent supporter of the LGBTQIA community with a long history of inclusion, not exclusion. The headline “Madison Square Garden Kept a List of Gay Celebrities”—which refers to a “list” *created by the reporters themselves* through their own manipulation of raw data—together with the false implications throughout the piece (the “Article”), reflects shockingly unethical conduct. Wired, Shachtman, and Defendants should be held accountable for their inexcusable actions.

2. The publication of the Article and Defendants’ continuous promotion of the piece in interviews and commentary in the following days was done without concern for the truth and with the intent to cause maximal public impact. This conduct is unsurprising given Wired’s recent course of coverage, driven in significant part by Shachtman. With the apparent permission of its parent company, Wired has published several false articles about MSG that are more focused on manipulating information to fit a salacious story than with reporting the facts. Nor is this the first time Shachtman has come under fire for selective and unethical journalism: in an unrelated story at a previous large publication, while reporting on an individual described as a personal friend, Shachtman was accused of omitting facts about that individual’s ties to child pornography. In short, this is not the first time Wired or Shachtman have shaped their “reporting” to fit a predetermined narrative. Defendants have crossed the line separating protected journalism from actionable defamation, and this action seeks to hold them accountable for that choice.

3. Indeed, the information stolen from MSG that Defendants used to construct their false narrative was taken from a standard customer relationship management (“CRM”) platform, the purpose of which is to serve MSG’s customers and to further inclusion, including by extending invitations to LGBTQIA support events, identifying sales and sponsorship opportunities, and facilitating charitable donations and community outreach. The Article’s implication that MSG

maintains a database with a sexual orientation field for exclusionary, discriminatory, security, or risk-based purposes is a lie. Defendants knew there was no nefarious “list” of gay celebrities, and Defendants knew that the stolen data contained dozens of fields per customer—including mundane fields such as address, phone number, and dietary restrictions—used for relationship management purposes, not discrimination.

4. This case is about Defendants’ decision to transform inclusion into exclusion. Defendants’ Article and its promotion falsely implied that MSG maintains sexual orientation information to identify, track, rank, exclude, or discriminate against LGBTQIA celebrities, artists, guests, fans, and patrons because of their sexual orientation or gender identity (the “False Implication”), when the opposite is true. The False Implication is easily refutable. **First**, the underlying data and information shows that MSG uses standard CRM tools, including the Salesforce platform at issue here, for customer service and the supportive, inclusive purposes discussed above. Indeed, access to this information is limited: it is visible only to certain members of MSG’s VIP Services, Fan Engagement, and information technology teams, and most of MSG’s physical security team cannot even log in to the relationship management platform. MSG has never used the LGBTQIA-related designation to determine, in any discriminatory manner, whether any person could enter MSG, receive tickets, appear at events, perform at MSG venues, be shown on camera, or be subject to any adverse security or venue treatment. **Second**, far from discriminating against the LGBTQIA community, MSG and its affiliated entities have contributed hundreds of thousands of dollars to Pride and LGBTQIA organizations, provided ticket vouchers, maintained recurring partnerships with LGBTQIA community organizations and Pride-centered sports and youth programs, maintained a Pride Employee Resource Group of approximately 285 employees,

and have had more than two hundred employees and guests participate in the New York City Pride March since 2022.

5. Defendants knew the False Implication was unsubstantiated, going as far as to admit that MSG's reasons for using the orientation field were "unclear." And despite recklessly reporting that MSG used the orientation field for security purposes, Shachtman later acknowledged that he had been told that actual security risks were maintained in a completely separate database. Yet Defendants chose to manipulate the facts and the public, pushing a headline and framing that converted a customer relationship management platform into a false story of LGBTQIA surveillance, risk, and discrimination. Defendants got exactly the public reaction they were looking for: immediately after the Article was published, national broadcasters and newspapers, elected officials, and the public at large reacted swiftly, broadly and with uniform condemnation, accusing MSG of discriminating against the LGBTQIA community, characterizing MSG in derogatory terms, and repeating the same false narrative Defendants had set out to create.

6. Defendants published the Article with knowledge of its falsity or with reckless disregard for the truth. Defendants knew that the so-called "list" in question was actually a customer relationship platform, not a "list" of gay celebrities or anything of the sort. Moreover, Defendants knew that MSG maintains a separate database for genuine security risks, knew that the sources on whom they relied held preexisting biases against MSG, and knew precisely what implication their headline and framing would convey to readers, having assembled quotes from commentators who confirmed that very implication in advance of publication. Rather than resolve or disclose that knowledge, Defendants conflated distinct data systems; relied on anonymous sources, including, according to Shachtman, a current MSG employee who is contractually required to maintain confidentiality; drew unsupported inferences; and packaged selective facts

beneath a sensational headline designed to convey the False Implication. This conduct was part of a broader course of Wired coverage, led in substantial part by Shachtman and his collaborators, that repeatedly framed MSG and its leadership through a narrative of paranoia, surveillance, and discrimination. This was not reporting—it was a personal attack on MSG and its leadership carried out under the guise of journalism.

7. MSG brings this action fully mindful of the vital role a free press plays in American life, including reporting on powerful institutions and public figures. But the protections the law affords to legitimate reporting do not extend to publishing a headline and story that Defendants knew, or recklessly disregarded, conveyed the damaging False Implication that MSG did not deserve. This is not the first time Defendants have rushed to publish clickbait in place of facts, but it should be their last.

8. As a direct and proximate result of the Article, MSG has suffered and continues to suffer reputational harm. Plaintiffs seek damages and equitable relief, including a retraction and correction, in amounts to be determined at trial.

THE PARTIES

9. Plaintiff MSG Entertainment is a corporation organized under the laws of the State of Delaware with its principal place of business in New York County, New York.

10. Plaintiff MSG Holdings is a limited liability company organized under the laws of the State of Delaware with its principal place of business in New York County, New York.

11. Plaintiff MSG Sports is a corporation organized under the laws of the State of Delaware with its principal place of business in New York County, New York. MSG Sports owns and operates, among other things, the New York Knicks and New York Rangers.

12. The Salesforce customer relationship platform discussed in the Article is contracted to MSG Holdings and includes information maintained for both MSG Entertainment and MSG Sports. MSG Entertainment and MSG Sports used and maintained information within the Salesforce customer relationship platform for their respective business, venue, sports, hospitality, and relationship-management functions.

13. Upon information and belief, Defendant Advance Magazine Publishers Inc. does business as Condé Nast and as Wired, and is the publisher of the Article, with its principal place of business in New York County, New York.

14. Upon information and belief, Defendant Advance Publications, Inc. is the ultimate corporate parent of Condé Nast and Wired, with its principal place of business in New York.

15. Defendant Noah Shachtman is a journalist and co-author of the Article and, upon information and belief, is a resident of the State of New York.

16. Defendant Maddy Varner is a journalist and co-author of the Article and, upon information and belief, is a resident of the State of New York.

17. Defendant Katie Drummond is the Global Editorial Director of Wired and, upon information and belief, reviewed, approved, or had final authority over the Article's headline, framing, and continued publication after MSG denied the reporting as inaccurate and false, consistent with her role overseeing Wired's editorial output generally.

JURISDICTION AND VENUE

18. This Court has subject matter jurisdiction over this action pursuant to Article VI, § 7 of the New York Constitution and CPLR 301.

19. This Court has personal jurisdiction over Defendants pursuant to CPLR 301 and 302 because Defendants are domiciled in, maintain their principal places of business in, and/or

transact business within the State of New York, and because the tortious conduct alleged herein occurred in and caused injury within New York.

20. Venue is proper in New York County pursuant to CPLR 503 because Plaintiffs reside in New York County and a substantial part of the events giving rise to the claims occurred in New York County.

FACTUAL ALLEGATIONS

A. The Challenged Statements

21. The specific statements, headlines, juxtapositions, and republications challenged in this action include, among others: (a) the headline “Madison Square Garden Kept a List of Gay Celebrities”; (b) the Article’s subheading and framing that placed “LGBTQIA,” “DO NOT HOST,” and low-to-high “risk” labels together; (c) statements that MSG tracked celebrities’ race, gender identity, and sexual orientation framed in a way to imply that such information was used for an exclusionary or discriminatory purpose; (d) the Article’s statement that MSG was “overly interested in queer and trans people”; (e) Shachtman’s subsequent statements on NBC News NOW and CBS News 24/7 that the database was “not about security,” that the “risk” designation had “nothing to do with safety,” and that the database concerned “public image”; and (f) republications stating or implying that risk scores determined whether celebrities were “allowed back into the Garden.”

22. The challenged statements and juxtapositions conveyed the False Implication. The implication was not abstract, speculative, or dependent on a strained reading. It followed directly from Defendants’ headline, sequencing, selective presentation of labels, source characterizations, omissions, and subsequent national television promotion.

23. Defendants affirmatively intended, endorsed, and amplified the False Implication. Defendants did not merely report that a field existed in a database. They chose a headline centered on “gay celebrities,” paired LGBTQIA designations with “DO NOT HOST” and “risk” labels, invoked prior reporting about a transgender fan, omitted the inclusion-oriented purpose of the relevant designation (and that the designation was one of dozens of designations in a relationship-building platform), defended the reporting after MSG publicly denied it, and repeated the same framing in television appearances and follow-on coverage.

24. The False Implication is factual and capable of being proven false. Whether MSG used LGBTQIA-related designations for Pride-related outreach, hospitality, sales opportunities, charitable giving, and community engagement—or instead used those designations to exclude, risk-rate, ban, or discriminate against LGBTQIA individuals—is an objectively verifiable fact about MSG’s systems, records, policies, and practices.

B. MSG’s CRM and Talent-Management Practices

25. MSG operates some of the world’s most iconic stages, including Madison Square Garden, Radio City Music Hall, and the Beacon Theater. Its venues serve as gathering places that bring together New Yorkers and visitors from all backgrounds, including through concerts, sporting events, civic celebrations, and cultural moments such as the Knicks’ recent historic playoff run. That civic and cultural role is central context for evaluating the False Implication, which falsely suggested that an institution devoted to bringing people together instead used its data systems to exclude and discriminate.

26. Like other major venues and entertainment enterprises, MSG maintains relationship-management tools, including Salesforce and related CRM and talent-management systems, to manage hospitality, community outreach, marketing, sales, sponsorship, charitable,

and event-related engagement with guests, patrons, athletes, artists, fans, and other constituencies (the “Relationship Management Systems”). MSG’s Salesforce platform maintains over 10 million accounts, the vast majority of which are customer records, in addition to about 40,000 talent records. The size of this platform reflects the scale of MSG’s ordinary customer and relationship-management operations, which dwarfs the small subset of designations discussed in the Article.

27. Among the data MSG maintains in the Relationship Management Systems are talent-management designations used to support marketing, hospitality, community outreach, and inclusion efforts, including invitations to LGBTQIA and Pride events, sales and sponsorship opportunities, and charitable donations. The talent-record layout alone includes dozens of ordinary business and relationship-management fields, including a talent’s company, manager, biography, awards, social-media handles, nonprofit affiliations, community-partner affiliations, dietary restrictions, elected-office information for public officials, campaign and legislative contact information, and production fields, among many others. The mundane, everyday character of these surrounding fields underscores that the orientation field is not a component of any watchlist, dossier, or risk-assessment tool; it sits alongside data points such as a person’s birthday, home address, and favorite sports team, all maintained for the same ordinary (though fundamental to MSG’s business) marketing, hospitality, and community-relations purposes.

28. MSG added the orientation field to its Salesforce customer relationship platform in August 2022—the same year MSG’s affiliated entities began marching in the New York City Pride March—further confirming that the field’s creation coincided with, and was tied to, MSG’s expanding engagement with the LGBTQIA community rather than any exclusionary or security purpose. Access to the orientation field is tightly restricted: only five MSG VIP Services personnel have explicit rights to edit that field, only nine Fan Engagement personnel may view it, and it is

otherwise visible only to an information technology group for maintenance purposes. The separate field referenced in the Article as containing “SM concerns” is called “Threat Management notes,” and is viewable by a broader group of personnel than the orientation field, including employees in Fan Engagement, an Events Team of fifteen employees (who alone have editing rights to that field), a Government Affairs group of thirteen employees, and a Guest Relations group of thirty-four employees. Notwithstanding its name, the Threat Management notes field is not accessible to, and is unrelated to, MSG’s physical security or threat-management security division (with two view-access only exceptions); it is instead a CRM-adjacent notes field used by customer-facing and administrative teams for their respective business functions.

29. The above-discussed Relationship Management Systems are distinct from, and serve different purposes than, MSG’s systems and processes for security, physical safety, risk assessment, access restrictions, or venue-security decisions. Only two of MSG’s physical security personnel have viewing access to Salesforce, and none of them can view the orientation field discussed in the Article at all. MSG separately maintains documented protocols concerning individuals who have engaged in specific, identifiable and generally venue-related misconduct, such as unauthorized entry, theft, or physical altercations, and those protocols are maintained apart from and are unrelated to the Relationship Management Systems and the orientation or Threat Management notes fields discussed in the Article.

30. Indeed, individuals are rarely banned from MSG, despite the Article’s and Shachtman’s implications otherwise, and the rarity of actual exclusion decisions further belies the Article’s False Implication that MSG discriminatorily bars individuals from its venues. Of the millions of fans who have passed through MSG over the past half-decade, only approximately 120 individuals have been permanently banned, and even those individuals are afforded an opportunity

to be reinstated. That MSG's actual venue-exclusion practice is so narrowly and infrequently exercised—and is reversible—confirms that MSG does not use its Relationship Management Systems, or any other system, to exclude individuals from its venues on a broad basis, let alone on the basis of sexual orientation or gender identity.

31. MSG does not use LGBTQIA or similar designations to exclude any person from its venues or events, nor for any nefarious purpose whatsoever, and it certainly does not harbor animus toward the LGBTQIA community. To the contrary, MSG is a proud supporter of the LGBTQIA community, as discussed below.

C. MSG's Support for the LGBTQIA Community

32. MSG has a longstanding record of supporting LGBTQIA employees, guests, fans, and community organizations. MSG and its affiliated entities have contributed hundreds of thousands to Pride and LGBTQIA organizations and initiatives, in addition to thousands in ticket vouchers. Those contributions have supported, among others, Callen-Lorde Community Health Center, the National Center for Transgender Equality, the Audre Lorde Project, The Lesbian, Gay, Bisexual & Transgender Community Center, Pride Basketball League NYC, LGBT Network, The Trevor Project, Los Angeles LGBT Center, Covenant House New York, New Alternatives for LGBTQ Homeless Youth, NYC Pride, Harlem Pride, the Ali Forney Center, Gay Men's Health Crisis, Broadway Cares/Equity Fights AIDS, Live Out Loud, and NYC Parents of Lesbians and Gay Men.

33. MSG's support has included event sponsorships, matching gifts, general donations, and historical donations, including donations and sponsorships connected to Pride Month, Pride Night, the NYC Pride March, the Ali Forney Center's A Place at the Table Gala, Pride Basketball League NYC's men's and women's leagues, and donations generated through Rangers Pride

Month jersey auctions. MSG has also supported Pride-related activities at Covenant House New York, youth-focused LGBTQIA organizations, and community-health organizations serving LGBTQIA New Yorkers.

34. MSG and its affiliated sports properties have also maintained recurring LGBTQIA partnerships. The Knicks host annual events with Pride Basketball League NYC, including men's and women's divisions. The Rangers host annual events with the NYC Pride Hockey Alliance. The Knicks donate \$10,000 each year to a Pride-centered organization as part of the Sweetwater Clifton Award Program connected to Pride Night. The Rangers donate \$10,000 each year to a Pride-centered organization as part of the Community Captain Award Program connected to Pride Night. MSG also partnered with Covenant House in 2026 for a Pride Mentorship Series through which LGBTQIA youth were able to shadow and learn from MSG employees.

35. MSG's support for LGBTQIA communities extends beyond donations. The Radio City Rockettes work frequently with the Ali Forney Center through their Conservatory Program. MSG maintains an active Pride Employee Resource Group with approximately 285 employees. In 2025, the Pride Employee Resource Group held local networking events throughout Pride Month, supported employee-sponsored menu activations spotlighting LGBTQIA chefs, participated in the Ali Forney Center gala table, and attended the Rainbow Run event. In 2026, the Pride Employee Resource Group again participated in the Ali Forney Center gala table and participated in the Front Runners New York LGBTQIA Pride Run. MSG's employee programs also encourage community service, charitable matching, volunteer time, and participation in employee resource groups, reflecting MSG's broader commitment to inclusion, respect, and service.

36. MSG Entertainment, MSG Sports, and their affiliated entities have participated in the New York City Pride March since 2022. In 2024, MSG's Pride March contingent included 92

marchers, including 36 employees, 20 Garden of Dreams Foundation (MSG's charitable foundation) partner-organization representatives, four media participants, five Rockettes, one Knicks alumnus, one Rangers alumnus, and 25 guests. In 2025, MSG's contingent included 66 marchers, including 34 employees, 15 Garden of Dreams Foundation partner-organization representatives, and 17 employee guests. In 2026, MSG's contingent included 51 marchers, including 21 employees, 14 Garden of Dreams Foundation partner-organization representatives, three Rockettes, one Rangers alumnus, one Knicks alumnus, and 11 employee guests. MSG's commitment to inclusion was also reflected in the Knicks' recent historic season and the citywide celebration that followed, which brought together New Yorkers across backgrounds in a shared civic moment centered around MSG and its team. MSG's actual record of community support and inclusive civic engagement is fundamentally inconsistent with the False Implication.

37. MSG's support for the LGBTQIA community is indisputable, which makes the unverified, undiligenced, irresponsible, and fundamentally false reporting by Shachtman and Wired all the more defamatory.

D. The ShinyHunters Data Breach

38. The data underlying the Article was not lawfully obtained. As Defendants themselves reported, ShinyHunters, an international criminal hacker collective known for gathering individuals' personal information and then attempting to extort organizations after its unlawful obtainment, gained unauthorized access to MSG's systems in June 2026 through a social-engineering attack that compromised an employee's multifactor-authentication credentials, and extracted MSG data from Salesforce and published it online after MSG declined to pay a ransom. MSG was the victim of that criminal breach. The employee whose credentials were compromised is no longer employed by MSG.

39. Notably, the vast majority of lawsuits brought against MSG regarding this breach—where plaintiffs rushed to court without diligencing the facts, just as Wired did here—have since been voluntarily dismissed.

40. Defendants reviewed and republished portions of the stolen Salesforce data—including orientation field entries and Threat Management notes—in the Article and added their own false framing.

E. Defendants’ Use of Confidential Internal Sources and Information

41. Defendants’ reporting was not limited to publicly available information or neutral review of data posted by criminal hackers. On July 10, 2026, Wired’s Noah Shachtman appeared on NBC News NOW’s *Top Story With Tom Llamas* to discuss the Article in a segment identified as concerning Madison Square Garden’s “Risk List.” The segment introduced the Article as a “bombshell” report claiming that MSG “systematically tracks, categorizes, and surveils its celebrity guests,” assigns risk levels, and “flag[s] their sexuality.” The segment further reported that MSG had told NBC News NOW that the reporting was “inaccurate and false” and that MSG was pursuing legal remedies.

42. During the appearance, Shachtman stated that he had “sourcing within Madison Square Garden in its security operation.” He further represented that the source told him the risk designation was “really about” whether celebrities would say something negative about MSG’s Executive Chairman and CEO James Dolan, and he asserted that the database was “not about security” but instead about “public image.”

43. MSG’s internal security, risk-management, venue-operations, Salesforce, CRM, and talent-management information is confidential and proprietary. MSG’s Code of Conduct and Ethics states on its face that “[t]his document is for internal business use only and may not be

distributed externally except to authorized affiliated individuals or entities.” The Code applies to MSG employees, officers, and directors.

44. MSG’s Code of Conduct and Ethics is not a purely internal or confidential document. It is publicly posted on MSG’s investor relations website, consistent with the disclosure obligations applicable to public companies under the Sarbanes-Oxley Act, which requires that a public company’s code of ethics be made available to the public. Because the Code is publicly accessible, Defendants had direct access to, and constructive knowledge of, its confidentiality requirements and the restrictions applicable to MSG employees, officers, and directors—including the very restriction limiting the Code’s internal-use provisions to authorized personnel.

45. MSG’s Code of Conduct and Ethics requires that “[e]mployees, officers and directors must maintain the confidentiality of all information so entrusted to them, except when disclosure is authorized or legally mandated.” The Code identifies confidential or proprietary information to include, among other things, “any non-public information concerning the relevant company, its financial performance, prospects, pending or proposed transactions and arrangements and any other non-public information that would be harmful to the relevant company or useful to competitors if disclosed.”

46. MSG’s Employee Handbook likewise states that “[a]ll employees are expected to review and abide by company policies” and that “[v]iolation of a Company policy, including failure to report existing or potential violations of a policy, may result in disciplinary action up to and including termination.” The Handbook identifies internal channels through which employees may report concerns, including supervisors, People Practices, and the Employee Integrity Hotline. Employees generally acknowledge receipt of and compliance with the Employee Handbook.

47. MSG also maintains a Social Media Policy prohibiting users from “publishing confidential information without advance written approval” from appropriate Company communications leadership. MSG’s onboarding materials also include a Confidentiality Agreement in which employees agree not to disclose or use confidential information relating to MSG Entertainment, MSG Sports, and their affiliates and subsidiaries unless authorized in writing.

48. That Confidentiality Agreement defines confidential information to include, among other things, administrative procedures and manuals, business and financial information, computer programs, customer, employee, stockholder, and supplier information and lists, trade secrets, proprietary property, technical information, information concerning Company agreements and business relationships, and information disclosed to the Company in confidence by third parties. The agreement further provides that breach may result in immediate termination and that the Company may pursue legal and equitable remedies.

49. Any internal MSG security source who disclosed non-public security, risk-management, CRM, talent-management, venue-operations, customer, employee, supplier, business-relationship, or guest-relations information to Defendants was subject to contractual and/or common-law duties to maintain the confidentiality of that information. This internal security source is distinct from, and unrelated to, the former employee whose compromised credentials enabled ShinyHunters’ initial unauthorized access to MSG’s systems.

50. In working with a current MSG employee as his source for the Article, upon information and belief, Shachtman and Wired knew or were willfully blind to the employee’s obligations to MSG and nevertheless induced or encouraged that employee to disclose non-public and confidential MSG information in violation of those obligations. Defendants encouraged,

induced, solicited, received, and/or used that confidential information to publish and promote the Article and follow-on media appearances.

51. Promptly after publication, MSG informed NBC News, and upon information and belief informed Defendants directly or through public statements, that the reporting was “inaccurate and false.”

52. Upon information and belief, Wired and Condé Nast benefit financially and reputationally from high-traffic, sensational reporting about prominent public figures and institutions, and the Article’s headline, framing, and cross-platform promotion on NBC News NOW and CBS News 24/7 were calculated to maximize readership, engagement, and follow-on media attention. This allegation is offered in support of MSG’s claim for punitive damages based on improper motive, spite, or ill will under New York common law, and is not offered as, and should not be read as, a substitute for the independent constitutional showing of actual malice—knowledge of falsity or reckless disregard for the truth—pleaded separately herein.

53. Defendants’ use of an internal MSG security source reinforces that Defendants had access to information necessary to understand the distinction between inclusion-oriented CRM or talent-management designations and risk-management or security designations, but chose instead to conflate those concepts in the Article’s headline, framing, and televised promotion. Indeed, in the NBC News NOW segment, Shachtman expressly acknowledged that he had been told there was a separate database for security risks, while simultaneously promoting the Article as involving a “risk” list, sexuality flags, and a database supposedly tied to Mr. Dolan’s public image. Defendants’ use of an internal security source also confirms that Defendants were not merely passively reviewing a public data dump; they were soliciting, receiving, and using internal MSG information subject to confidentiality obligations.

54. The following timeline establishes, with dates and sequence, that Defendants possessed contrary information before and during their continued publication and promotion of the False Implication: (a) on or about July 9, 2026, Defendants published the Article without exercising thoughtful and responsible diligence; (b) promptly after publication, MSG informed media outlets, including NBC News, that the reporting was “inaccurate and false”; (c) on July 10, 2026, notwithstanding MSG’s denial, Shachtman appeared on NBC News NOW and, in the same segment in which he acknowledged having been told of a separate security-risk database, nevertheless characterized the challenged designation as being about “public image” and unrelated to security; (d) later that same day, Shachtman repeated the same characterization on CBS News 24/7, again after MSG’s denial had been publicly reported; and (e) also on July 10, 2026, Shachtman gave a third statement regarding the challenged designation on WNYC’s The Brian Lehrer Show, again stating that the information reflected a “publicity threat rather than a security threat” and again confirming that he had been told security threats were kept in a separate database.

55. This sequence shows that each successive republication and promotion occurred after Defendants knew both that MSG had denied the reporting and that Defendants themselves possessed information distinguishing security-risk data from the talent-management data underlying the Article.

F. Wired’s Course of Coverage and Editorial Framing

56. The Article was not published in isolation. Shachtman has authored or contributed to multiple prior negative pieces singling out MSG and Mr. Dolan specifically, as reflected in Wired’s own published bylines, reflecting a sustained personal focus on portraying MSG and its leadership in the worst possible light rather than fairly and objectively reporting on matters of public interest. That pattern, together with Shachtman’s willingness to solicit and use confidential

internal information obtained in violation of MSG personnel's confidentiality obligations, his access to information taken from a criminal hacking operation, and his eagerness to appear on news channels and podcast episodes to amplify his biased reporting, bears directly on Defendants' state of mind and on the weight the Article's claims should be given.

57. Wired and its contributors had been working on broader coverage of MSG and its leadership before publication of the Article, including stories with false implications about MSG's security practices, facial-recognition technology, and alleged surveillance culture. In the course of that reporting, Wired personnel, including Shachtman and Robert Silverman, reached out to former MSG employees and others in an effort to develop a story portraying MSG as an extreme corporate-surveillance operation. Upon information and belief, those efforts reflected a preexisting storyline that MSG was an extreme example of corporate surveillance, and that preexisting storyline shaped and infected the original Article itself, not merely Defendants' later television appearances defending it.

58. Wired had previously published or contributed to multiple negative articles and podcast episodes about MSG, its venues, and its leadership, including coverage of MSG's security practices and venue technology. MSG personnel understood Wired's ongoing project as an effort to portray MSG as a problematic and paranoid culture fostered by senior leadership.

59. Shachtman was central to this course of coverage. He authored, contributed to, edited, and/or promoted the Article and other recent negative Wired pieces concerning MSG, and he appeared on NBC News NOW to defend and amplify the Article—including citing a current MSG employee as a source—after MSG had already told NBC that the reporting was inaccurate and false.

60. Shachtman’s approach to the Article appears to fit a pattern of skewing his reporting to align with preexisting biases. According to public news sources, Shachtman has been accused of “scrubb[ing]” unsavory details from his reporting about ties between fellow journalist James Gordon Meek and child pornography, allegedly because Shachtman “once considered Meek a peer he was friendly with.”¹ This tendency to add or omit information to suit his personal interests calls into question not only Shachtman’s ethics, but also the reliability of his reporting.

61. This course of coverage supplies important context for the False Implication and Defendants’ actual malice. The question raised by the Article is not simply why Defendants reported on the existence of a database field; it is why Defendants chose to imply that MSG discriminates against and is unsupportive of LGBTQIA people and minorities, despite readily available facts showing the opposite. Upon information and belief, Defendants selected, framed, and promoted facts to fit a preexisting narrative rather than fairly report the actual purpose and use of MSG’s Relationship Management Systems.

G. The Falsity of the False Implication and the Article’s Misleading Framing

62. The False Implication is a complete lie. MSG did not maintain LGBTQIA-related designations to exclude, ban, downgrade, risk-rate, surveil, or discriminate against LGBTQIA people. MSG maintained those designations for inclusion-oriented purposes, including Pride-event invitations, hospitality planning, sales and sponsorship opportunities, charitable outreach, community engagement, and relationship management.

¹ See Joseph A. Wulfsohn & Brian Flood, “Ex-Rolling Stone editor swept up in disgraced ABC producer’s child porn scandal joins New York Times,” Fox News (Mar. 18, 2026, 7:00 AM EDT), *available at* <https://www.foxnews.com/media/ex-rolling-stone-editor-swept-up-disgraced-abc-producers-child-porn-scandal-joins-new-york-times>; David Folkenflik, “The FBI raided a notable journalist's home. Rolling Stone didn’t tell readers why,” NPR (Mar. 21, 2023), *available at* <https://www.npr.org/2023/03/21/1164360143/rolling-stone-fbi-raid-journalist-james-gordon-meek>.

63. The LGBTQIA-related designations were maintained in MSG's Relationship Management Systems—specifically its Salesforce customer relationship platform—in a field titled “orientation,” and were used for inclusion-oriented outreach, relationship management, hospitality, marketing, community-impact, and sales purposes. Those designations were not criteria for security decisions, access decisions, bans, “DO NOT HOST” designations, or risk scores.

64. MSG maintains separate systems, processes, and personnel for true security or physical-risk assessments. Those security-risk systems and processes are distinct from the CRM and talent-management tools at issue in the Article. Shachtman himself acknowledged on NBC News NOW that he had been told there was a separate database for security risks. That acknowledgement confirms Defendants knew that the talent-management information they described was not itself a security-risk database. To the extent any Threat Management notes in MSG's Salesforce customer relationship platform contain a security or risk-related concern, that notation typically reflects factors such as prior incidents at MSG venues, the conduct or intensity of an individual's fanbase or associates, or identity-verification concerns, and does not reflect any judgment about the individual's sexual orientation, gender identity, or other protected characteristic.

65. MSG has never used the LGBTQIA-related designation (or the race designation mentioned in the Article) in any discriminatory way to determine whether any person could enter MSG, receive tickets, appear at events, perform at MSG venues, receive hospitality, be shown on camera, or be subject to any adverse security or venue treatment. The orientation and race fields are not a component of MSG's risk-scoring methodology.

66. Of the approximately 40,000 talent records maintained in Salesforce, only 93 are tagged with an orientation of “LGBTQIA,” and only 4 of those 93 entries—approximately 4%—contain any entry at all in the separate Threat Management notes field on which risk-related commentary appears. By contrast, of the approximately 1,100 talent records tagged with an orientation of “Heterosexual,” 96 entries—approximately 9%—contain entries in the Threat Management notes field, roughly double the proportion of the LGBTQIA-tagged entries with any such notation. These figures affirmatively refute, rather than merely fail to support, the False Implication that MSG’s orientation designations were associated with, let alone the basis for, risk-related scrutiny.

67. In fact, MSG’s records show that LGBTQIA-related designations were used for positive engagement. Individuals identified or reasonably understood to be within LGBTQIA communities were invited to or considered for Pride-related events, community programs, and charitable initiatives by MSG.

68. The Article’s suggestion that MSG compiled dossiers on individuals for improper purposes also mischaracterizes MSG’s legitimate identity-verification practices. For example, MSG uses a third-party identity-verification service in connection with season-ticket and other sales, and when that service returns a low-confidence result, MSG personnel may conduct additional verification to confirm the purchaser’s identity and guard against fraud or unauthorized resale. On one such occasion, an identity-verification check for a prominent individual returned a low-confidence result, prompting MSG personnel to conduct additional verification before completing a ticket sale to that individual—a process unrelated to that individual’s occupation, public role, or any protected characteristic. Defendants’ portrayal of such routine identity-verification and fraud-prevention practices as evidence of a sinister surveillance or risk-

management scheme is itself misleading and reflects the same pattern of conflation and omission underlying the False Implication.

69. MSG's actual practices are consistent with its broader record of LGBTQIA support described above. Those facts directly contradict the False Implication.

70. The Article's headline was also, undeniably, not a fair representation of the underlying data. Defendants chose the headline not to fairly summarize the underlying data, which was comprised of standard customer-relationship fields including "Birthday" and "Address," but to maximize outrage, clicks (which, of course, translates to revenue), and reputational harm. The headline removed the Relationship Management Systems context, omitted the inclusion-oriented purpose of the LGBTQIA-related designations, and falsely converted a field used for community outreach and relationship management into a discriminatory "list."

71. Indeed, no "list" existed independent of Defendants' own manipulation of the raw data. Shachtman himself acknowledged, in a national television interview, that when he examined the leaked material, "it looks like a spreadsheet." That spreadsheet-style export contained approximately 40,000 talent records and dozens of unrelated fields—such as a person's company, manager, biography, and dietary restrictions—and had no independent existence as any kind of "list" of gay celebrities, at-risk individuals, or anything else. Defendants manufactured the appearance of such a list only by filtering and sorting that undifferentiated export to isolate the 93 entries bearing an LGBTQIA designation, and then packaging that artificially isolated subset beneath a sensationalized headline as if MSG itself had compiled and maintained a discrete "list of gay celebrities." MSG maintained no such list, and Defendants' headline and framing falsely implied the existence of a curated compilation that was, in truth, entirely a product of Defendants' own post-hoc data manipulation.

72. The Article juxtaposed MSG's inclusion-oriented Relationship Management Systems designations with unrelated risk and security language, including "DO NOT HOST," "risk," and comments about MSG being "overly interested in queer and trans people." That juxtaposition, among other false statements in the Article, conveyed the False Implication.

73. The Article's own language demonstrates Defendants' recklessness. The Article stated that why MSG "felt the need" to include information about certain individuals' sexual orientation was "unclear." Having admitted uncertainty about the purpose of the designation, Defendants nevertheless published and promoted a headline and framing that resolved that supposed uncertainty in the most damaging way possible: that MSG kept a list of gay celebrities for suspect, exclusionary, discriminatory, or risk-based purposes.

74. Defendants' statements and implications are false. MSG's tagging practices were used for inclusion, not exclusion, and any security designations concerning particular individuals reflected legitimate, articulable concerns unrelated to sexual orientation or gender identity.

H. Defendants Published with Actual Malice

75. Defendants published the Article, and in particular its headline, with knowledge that the conveyed False Implication was false, or with reckless disregard for whether it was true or false. MSG pleads actual malice based on concrete facts: Defendants possessed the underlying data, claimed to have an internal MSG security source, acknowledged that a separate security-risk database existed, omitted known or readily available contrary information, and then defended and amplified the False Implication after MSG publicly denied the reporting as inaccurate and false. Defendants therefore knew the obvious risk that their headline and framing conveyed a false impression, or at minimum consciously disregarded serious doubts about that impression.

76. Defendants’ actual malice is not limited to their post-publication conduct; it is established by facts in existence at the moment of original publication on July 9, 2026, before any television appearance or republication. At that time, Defendants had access to and had reviewed the same underlying Salesforce data reflecting that only 93 of MSG’s approximately 40,000 talent records carried an LGBTQIA designation, and that only 4 of those 93 records—approximately 4%—contained any entry at all in the Threat Management notes field on which risk-related commentary in the Article was based, roughly half the proportion of the approximately 1,100 comparable Heterosexual-designated records, 96 of which, or approximately 9%, contained such entries. That data was available to Defendants using the same methods Defendants used to compile the other statistics reported in the Article. Notwithstanding that data, Defendants published a headline and Article stating that the reason for the LGBTQIA designation was “unclear,” and juxtaposed that designation with “DO NOT HOST” and risk-score language in a manner that invited readers to conclude the two were related. Defendants’ own published admission that the purpose of the designation was “unclear” establishes that, at the time of original publication, Defendants recognized they lacked a factual basis for the False Implication their headline and framing nonetheless conveyed, yet they published it regardless.

77. Defendants had access to and reviewed the underlying data and therefore knew or recklessly disregarded that the data did not show that MSG excluded LGBTQIA individuals or treated them as security risks because of their sexual orientation or gender identity. Defendants also claimed to have an internal MSG security source, which further supports the inference that Defendants had access to information sufficient to understand what the relevant labels meant and what they did not mean. Shachtman’s televised statement that he was told there was a separate database for security risks further supports that Defendants knew the talent-management

information in Salesforce was not itself a security-risk database. That admission is powerful evidence of subjective awareness: Defendants knew there was a distinction between talent-management/CRM data and security-risk data, yet they chose to blur that distinction.

78. Defendants knew or recklessly disregarded that the LGBTQIA designation was an inclusion-oriented CRM or talent-management designation, not a security or exclusion designation. Rather than report that distinction, Defendants conflated separate systems and labels to convey a false and defamatory impression. Defendants then compounded that False Implication by promoting the Article on NBC News NOW as involving “bizarro” fields that categorized celebrity sexuality and ethnicity, while stating that the list was not really about security.

79. Had the reporting or investigation accurately reflected the truth, it would have explained that the LGBTQIA-related designations were used for inclusion-oriented outreach, including Pride events, community engagement, sales opportunities, and donations—not for exclusion or discrimination.

80. According to Shachtman himself, Defendants relied on an anonymous internal MSG employee as its source and purposefully avoided readily available and known facts that would have corrected the False Implication, rather than merely failing to investigate them. Defendants either knew or deliberately avoided confirming that the orientation field and the LGBTQIA-related designations were maintained in Salesforce for talent-management and CRM contexts, that those designations were used for Pride, community, hospitality, donation, and outreach purposes, and that separate systems existed for true security risks—the very distinction Shachtman admitted on air that he had been told about before publication.

81. Upon information and belief, the Article is part of a continuing course of conduct by Defendants targeting MSG and its ownership, including one or more prior articles and podcast

episodes concerning MSG. Upon information and belief, Defendants solicited a reaction from MSG to generate additional follow-on coverage, and the Article represents Defendants' continued effort to manufacture controversy about MSG rather than to report fairly on matters of legitimate public concern.

82. Defendants' actual malice is further supported by their refusal to engage with readily available contrary facts. MSG's inclusion record—including hundreds of thousands in contributions to Pride and LGBTQIA organizations, LGBTQIA theme nights, Pride-community charitable work, annual Knicks and Rangers Pride-related partnerships, Garden of Dreams Foundation support for youth and LGBTQIA nonprofits, a Pride Employee Resource Group with approximately 285 employees, repeated participation in the New York City Pride March since 2022, annual Pride-related programming, and work with organizations including Pride Basketball League NYC, NYC Pride, the Ali Forney Center, Covenant House New York, the LGBT Community Center, Callen-Lorde, and other LGBTQIA-serving organizations—would have directly refuted the False Implication. Defendants either ignored those facts, failed to ask MSG about them, or deliberately omitted them because they did not fit the narrative Defendants wanted to publish.

83. Defendants' actual malice is also supported by the manner in which Shachtman and Wired framed the Article for maximum public impact. The issue is not merely that Defendants reported the existence of a field in a database; it is that they selected, edited, headlined, promoted, and defended the story in a manner that created a materially false implication. Indeed, as explained above, Shachtman previously has been accused of doctoring reporting in this very manner. MSG intends to pursue discovery into Defendants' editorial choices, drafts, source communications, headline decisions, and omissions to further substantiate these allegations.

84. Defendants' actual malice is confirmed by the totality of the circumstances, including their access to the underlying data, their claimed use of an internal MSG security source, Shachtman's televised acknowledgment that a separate security-risk database existed, their reliance on sources whose claims they failed to test against MSG's records and contrary facts, their prior course of coverage concerning MSG, their publication and promotion of the Article in a manner that predictably generated public controversy and follow-on coverage, their decision to use a headline more inflammatory than the facts could support, their decision to omit readily available facts showing MSG's extensive support for and engagement with the LGBTQIA community, and their post-publication decision to double down on the Article after MSG denied the reporting as inaccurate and false. These facts support an inference not merely that Defendants failed to investigate, but also that they had access to contrary information, recognized the distinction between the relevant systems, and deliberately framed the story in a way that concealed or disregarded that distinction.

I. The False Implication Was Immediately Understood and Amplified

85. The False Implication has been received, understood, and further disseminated by third parties. Among other things, following publication, New York State Assemblymember Tony Simone publicly commented on the Article, media outlets including *Us Weekly*, USA Today, and NBC directed inquiries to MSG concerning the False Implication, and Shachtman appeared on multiple national news channels to promote the Article. Shachtman also amplified the False Implication directly on social media: he posted the Article on X to his own following of almost 126,000 accounts, and he separately reposted Assemblymember Simone's statement and other reactions to the Article, personally repeating and endorsing the defamatory implication rather than merely reporting on third-party reactions to it. Social media amplification began within hours of

publication and likewise reflected the False Implication rather than any narrower or more accurate reading of the underlying data. For example, prominent podcaster Pablo Torre publicized the Article to his own audience of 293,000 followers on X, stating that “MSG’s V.I.P. database assigned ‘risk’ scores to Knicks super-fans (and Taylor Swift wedding guests), including celebs who posted about owner James Dolan, according to [Wired]” and that he had “got a first look at why ‘shocking’ names made the list.” Other X users reacted by asking, in words that captured precisely the False Implication Defendants intended to convey, “[t]o what lengths will Jim Dolan go to assess the ‘risk score’ of MSG attendees? And why in the world would his enterprise identify their sexual orientation in a database?”

86. On July 10, 2026, Shachtman appeared on NBC News NOW’s *Top Story With Tom Llamas* in a segment that described the Article as a “bombshell” report that MSG “systematically tracks, categorizes, and surveils” celebrity guests, rates their risk level, and “flag[s] their sexuality.” The segment then identified low, medium, and high-risk celebrities, stated that MSG denied the reporting and called it “inaccurate and false,” and asked Shachtman to defend the reporting. Shachtman responded, “Absolutely,” and then doubled down on the False Implication by saying that the database contained “completely bizarre fields,” that it categorized celebrities’ sexuality and ethnicity, that his MSG security source said the risk designation was really about whether celebrities would criticize Mr. Dolan, and that the list was “not about security” but about “public image.”

87. CBS News 24/7 separately amplified the same False Implication on July 10, 2026. In introducing Shachtman, CBS stated that, according to Wired, MSG kept an internal list of nearly 40,000 celebrity entries categorized by “race, gender, even sexual orientation,” and whether individuals had said anything negative about MSG’s corporate owners. CBS further stated that the

celebrities were then listed with a “risk score” determining whether they were “allowed back into the Garden,” while noting that MSG had responded that Wired’s reporting was false and inaccurate. Shachtman then told CBS that the relevant risk designation had “nothing to do with safety” and instead had to do with “PR” and whether MSG was worried the person would say something negative about Mr. Dolan or MSG.

88. Also on July 10, 2026, Shachtman further amplified the False Implication in an interview on WNYC’s The Brian Lehrer Show, where he was introduced as one of the reporters behind Wired’s investigations into MSG’s surveillance practices. When asked why individuals in the database were considered a threat, Shachtman stated, “I think it’s more of a publicity threat rather than a security threat. In fact, I was told that security threats are kept in an entirely different database.” Shachtman further speculated that the “risk” designation reflected “the possibility that they might say something off-message, slightly mean, maybe not fully complimentary about either the Garden, the Knicks management, or Dolan himself,” and stated that Fat Joe’s association with the rapper Jadakiss, who had criticized Mr. Dolan, was the basis given to him for Fat Joe’s “medium risk” designation. This third, independent on-air characterization—delivered on the same day as, and consistent with, Shachtman’s NBC and CBS appearances, and after MSG’s public denial of the reporting—further confirms that Defendants believed that the challenged designations concerned publicity concerns rather than security, and that a separate security-risk database existed.

89. Public officials also understood and amplified the Article in the defamatory sense Defendants intended. New York State Assemblymember Tony Simone publicly responded to the Article by asking why Mr. Dolan was “so obsessed” with LGBTQIA people and stating that there was “no legitimate reason” for MSG to track or label people based on sexual orientation or gender

identity. Simone further asserted that Mr. Dolan had used discriminatory biometric data collection “for years to exclude the public from his properties,” referenced legislation identified as A6211/S8004 to outlaw discriminatory biometric data collection, and demanded that MSG immediately end the alleged practices and explain how the information was collected and used. The Article was also promoted on social media by a commentator whose post identified the legislative sponsors of the referenced biometric-data bill and described the Article as concerning Mr. Dolan and MSG’s “monitoring and surveillance regime”; that post received approximately 3 million views.

90. *The Washington Times* also republished and amplified the Article’s false sting while reporting MSG’s denial. In an article titled “Madison Square Garden calls controversial Wired report ‘false,’ pursues legal action,” *The Washington Times* described the Wired report as claiming that MSG maintains a database that labels public figures based on their sexuality, tracks those who criticized Mr. Dolan, and assigns a “risk” rating to hundreds of performers. The article quoted MSG’s statement that Wired’s reporting was “inaccurate and false” and that MSG was pursuing legal remedies.

91. A prominent former New York City official and current congressional candidate likewise republished and amplified the Article’s false sting, characterizing MSG’s alleged practices as “billionaire surveillance & control” and “downright pettiness,” asking why Mr. Dolan’s enterprise would identify attendees’ sexual orientation in a database, and proposing consequences including the cancellation of MSG-related tax benefits. That post received substantial public engagement, including tens of thousands of views and hundreds of reposts, likes, and bookmarks. This individual’s status as a prominent former citywide official and candidate for federal office magnified the reputational and regulatory consequences of the False Implication,

and the amplification by this and other public commentary also tied the False Implication to existing and proposed biometric-data legislation, increasing the foreseeable regulatory and political consequences to MSG.

92. The public reaction to the Article confirms the false defamatory meaning Defendants conveyed. MSG does not allege that Defendants are legally responsible for every third-party comment referenced above. Rather, those comments, broadcasts, and official statements are pleaded as evidence of the ordinary-reader meaning, republication, foreseeability, reputational harm, and damages caused by Defendants' own headline, article, and promotional statements.

93. The harm was immediate. Within hours, the False Implication had been repeated by national broadcasters, picked up by national press, cited by elected officials, and circulated to millions online. In one online community alone, a post about the Article generated approximately 8,200 upvotes and more than 1,100 comments within approximately 21 hours, framing the Article as reporting that MSG "created a list that ranked people of concern" and that one of the categories was "LGBTQIA."

94. Readers drew precisely the discriminatory inference Defendants' headline and framing invited. Commenters described the Article as evidence for legal or criminal action because "LGBTQIA is a protected class in New York State," asserted that the proximity of sexual-orientation tags and risk labels meant that "any lawyer can easily make that case," and described MSG as engaged in "tracking gay people." Other readers, including in LGBTQIA, transgender, music, and performer-focused online communities, understood the Article to accuse MSG of anti-LGBTQIA animus, surveillance of queer and trans people, and risk-based treatment of LGBTQIA patrons, fans, celebrities, and performers. One online commenter remarked, "It's always a good idea to keep a database of who you are discriminating against and why as future evidence in an

eventual lawsuit,” expressly construing the Article as reporting evidence of unlawful discrimination by MSG. Other commenters speculated openly about a discriminatory rationale for the challenged designation, with one asking “what would even be the utility for knowing which of the audience members were not heterosexual?” and others responding, “Keeping them off screen” and “I’d imagine that he’d also want to keep gay couples from appearing on the kiss cam, for instance.” These reader reactions confirm that the ordinary, natural, and probable understanding of the Article was that MSG used LGBTQIA-related designations to identify and exclude LGBTQIA individuals from visibility and participation at its venues—precisely the False Implication that Defendants conveyed.

95. A Reddit forum devoted to the LGBTQIA community, for instance, republished the story under the heading “Madison Square Garden allegedly kept a list of gay celebs who visited the venue,” while a music-focused Reddit community republished a syndicated version of the story under the heading “Madison Square Garden has been secretly tracking queer musicians”—confirming that the defamatory sting Defendants conveyed was neither ambiguous nor confined to any single readership, but was carried, unchanged, into LGBTQIA and music-community audiences central to MSG’s business relationships with artists and performers.

96. The Article also foreseeably affected MSG’s business relationships and audience relationships. Music and performer-focused online communities discussed whether LGBTQIA artists should stop playing MSG “in an effort to hurt the business,” whether artists or agencies should demand information from major venues, and whether fans should boycott MSG or pressure performers to play elsewhere. These reactions show that Defendants’ headline and framing did not cause abstract criticism only; they predictably triggered calls for economic, reputational, regulatory, and political consequences.

97. As a direct and proximate result of the Article, MSG has been injured in its reputation and standing, and the False Implication has been widely disseminated and amplified. MSG's business depends on trust among artists, athletes, performers, fans, sponsors, community partners, public officials, and guests that MSG's venues are inclusive and welcoming. The Article struck directly at that trust. It caused national broadcasters, national newspapers, readers, and public officials—including prominent New York elected officials and candidates with authority or prospective authority over public policy, legislation, taxation, and oversight—to accuse MSG of protected-class discrimination, anti-LGBTQIA animus, race-based and gender-identity-based profiling, unlawful surveillance, stalking, and maintaining an "enemies list." It also caused national broadcasters to repeat the False Implication that risk scores determined whether celebrities were allowed back into the Garden, and caused readers and public officials to call for concrete consequences, including governmental investigations, new legislation, biometric-data restrictions, revocation of MSG-related tax benefits, and consumer and artist boycotts.

98. MSG will seek discovery concerning Defendants' reporting, editorial, headline, source, and promotional decisions, including communications with any sources and any persons involved in the theft, distribution, or publication of MSG's data. MSG will also seek discovery concerning Defendants' appearances on NBC News NOW, CBS News 24/7, and WNYC's *The Brian Lehrer Show* appearances, including communications with those networks and program staff, scripts, talking points, notes, source communications, and documents concerning Shachtman's statements that he had sourcing within MSG's security operation, that the database was not about security, and that the relevant risk designation had nothing to do with safety. MSG will further seek discovery concerning the source's access to confidential MSG systems and whether Defendants induced or encouraged the source to violate MSG's Code of Conduct, Social

Media Policy, Employee Handbook, Confidentiality Agreement, or other confidentiality obligations. MSG will also seek discovery into drafts, edits, headline deliberations, editorial approvals, and internal communications reflecting why Defendants chose to omit contrary facts and frame inclusion-oriented data as exclusionary or discriminatory. If Defendants invoke New York's anti-SLAPP procedure, MSG will seek targeted discovery under CPLR 3211(g)(3), including discovery into Defendants' knowledge, doubts, intent, endorsement of the False Implication, source communications, headline deliberations, and post-publication promotional decisions, all of which are uniquely within Defendants' possession.

FIRST CAUSE OF ACTION
(Defamation by Implication)

(Against Defendants Advance Magazine Publishers Inc. d/b/a Condé Nast and Wired, Advance Publications, Inc., Noah Shachtman, Maddy Varner, and Katie Drummond)

99. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set forth herein.

100. Even if certain narrow individual statements in the Article contain elements of truth, Defendants juxtaposed, arranged, and framed those statements—together with the sensational headline—so as to create and convey the False Implication. Under the first prong of the governing two-part test for defamation by implication, the language of the Article and its promotion, taken as a whole, reasonably conveys that defamatory inference: the headline's use of the phrase "gay celebrities," paired in the subheading with the labels "DO NOT HOST" and low-to-high "risk," would lead an ordinary reader to conclude that MSG tracked LGBTQIA status as a component of exclusionary or risk-based treatment. The pleaded truth—that no "list of gay celebrities" ever existed; that MSG maintained only an inclusion-oriented orientation field, which also included "Heterosexual" as an available option, for Pride outreach, hospitality, sales, and charitable purposes; and that the only "list" in existence was one Defendants themselves manufactured by

filtering and sorting data after the fact—conveys a substantially different gist than Defendants’ publication and would not have produced the same effect on the mind of the average reader.

101. Under the second, objective prong of that test, the language, structure, headline, sequencing, omissions, source characterizations, national-television promotion, and republication of the Article affirmatively and contextually suggest that Defendants intended or endorsed the defamatory implication, regardless of any subjective intent Defendants may later claim to have had. That objective evidence of endorsement is anchored above all in Shachtman’s own recorded, on-air admission that he had been told there was “a separate database for security risks,” followed immediately by his own statement that the challenged designation “is not about security” and “is about public image”—an admission establishing that Defendants possessed, at the time of publication and promotion, the very information distinguishing inclusion-oriented CRM data from security-risk data that the Article and its promotion erased. Shachtman’s own decision to post the Article on X and to repost reactions to it—including Assemblymember Simone’s statement condemning MSG’s alleged practices—further objectively confirms that Defendants intended and endorsed the defamatory implication, rather than merely reporting it neutrally.

102. The False Implication is false, and Defendants published it with actual malice. Defendants knew, or purposefully avoided readily available knowledge, that LGBTQIA-related designations were used for inclusion-oriented outreach and community engagement, that a separate security-risk database existed—a fact Shachtman himself admitted on national television having been told before publication and promotion—and that the Article’s headline and framing would convey the false impression that MSG used LGBTQIA status for exclusionary or discriminatory purposes.

103. As a direct and proximate result, MSG has suffered damages in an amount to be determined at trial. MSG has suffered presumed damages because the implication is defamatory per se, tending to injure MSG in its business, trade, and profession as an operator of leading live-entertainment, sports, music, hospitality, and community venues, and has also suffered actual reputational, business, and pecuniary harm, including harm to relationships with artists, performers, fans, sponsors, community organizations, public officials, and business partners.

SECOND CAUSE OF ACTION

(Tortious Interference with Contractual and Confidentiality Obligations)

(Against Defendants Advance Magazine Publishers Inc. d/b/a Condé Nast and Wired, Advance Publications, Inc., Noah Shachtman, Maddy Varner, and Katie Drummond)

104. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set forth herein.

105. MSG maintains policies, codes of conduct, employee handbook provisions, onboarding agreements, and related agreements requiring employees and other covered personnel to preserve the confidentiality of non-public MSG information, including information concerning MSG's security, risk-management, CRM, talent-management, venue-operations, customer lists, employee information, supplier information, business relationships, and guest-relations functions.

106. Defendants knew or should have known that any internal MSG security source was subject to contractual, handbook, policy, code-of-conduct, social-media-policy, confidentiality-agreement, proprietary-property-agreement, and/or common-law duties prohibiting unauthorized disclosure of MSG's confidential and proprietary information. Defendants' knowledge is underscored by the fact that MSG's Code of Conduct and Ethics is a publicly available document posted on MSG's investor relations website, giving Defendants direct and ready access to its confidentiality provisions and the restrictions applicable to MSG personnel.

107. Upon information and belief, Defendants intentionally induced or encouraged one or more internal MSG sources to disclose confidential MSG information for use in the Article, related coverage, and Defendants' follow-on promotional appearances. Shachtman's statement on NBC News NOW that he had "sourcing within Madison Square Garden in its security operation" confirms that Defendants were receiving and using information from at least one internal MSG security source.

108. Upon information and belief, those disclosures breached the source's confidentiality obligations to MSG and caused MSG harm, including by enabling Defendants to publish and promote false and misleading implications about MSG's internal practices, by compromising MSG's confidential internal security and business information, and by damaging MSG's relationships with employees, guests, artists, performers, fans, sponsors, and community partners. Defendants used the source not merely to report the existence of data, but to supply and promote an internal interpretation of MSG's practices that Defendants then broadcast to a national audience. Those disclosures also undermined MSG's contractual and policy-based confidentiality regime, including policies and agreements that prohibit unauthorized disclosure or use of non-public customer, employee, supplier, business-relationship, technical, operational, and proprietary information.

109. As a direct and proximate result, MSG has suffered damages in an amount to be determined at trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that the Court enter judgment in their favor and against Defendants as follows:

(a) awarding compensatory, presumed, special, and punitive damages in an amount to be determined at trial;

(b) ordering such corrective relief as is lawful and appropriate, including correction or retraction of the false and defamatory statements and implications;

(c) awarding Plaintiffs' costs and such attorneys' fees as may be available by law; and

(d) granting such other and further relief as the Court deems just and proper.

Plaintiffs demand a trial by jury on all issues so triable.

Dated: New York, New York
July 16, 2026

KING & SPALDING LLP

/s/ Damien Marshall

Damien Marshall

John Goodwin

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*Attorneys for Plaintiffs Madison Square
Garden Entertainment Corp., Madison
Square Garden Entertainment Holdings
LLC, and Madison Square Garden Sports
Corp.*

VERIFICATION

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

Ryan Abdel-Megeid, being duly sworn, deposes and says:

I am the SVP Information Security & Intelligence of Plaintiff Madison Square Garden Entertainment Corp., and am duly authorized to make this verification on behalf of Plaintiffs Madison Square Garden Entertainment Corp., Madison Square Garden Entertainment Holdings LLC, and Madison Square Garden Sports Corp. (collectively, "Plaintiffs") in the above-captioned action. I have read the foregoing Complaint and know the contents thereof, and the same is true to my own knowledge, except as to those matters therein stated to be alleged upon information and belief, and as to those matters, I believe them to be true.

The grounds of my belief as to all matters not stated upon my own personal knowledge are the books, records, and files maintained by Plaintiffs in the ordinary course of business, and information provided to me by other officers, employees, and representatives of Plaintiffs and by Plaintiffs' counsel.

This verification is made by the undersigned, rather than by any Plaintiff individually, because each Plaintiff is a corporation or limited liability company and the undersigned is a duly authorized officer of each such entity, as permitted under CPLR 3020(d)(1).



Ryan Abdel-Megeid
SVP Information Security & Intelligence

Sworn to before me this

16 day of July, 2026.



Notary Public

ALANNA K NEVINS
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01NE0032830
Qualified in NEWY County
Commission Expires 01/10/2029