

IN THE SUPREME COURT OF THE STATE OF NEVADA

James J. Pisanelli, Esq., Bar No. 4027
JJP@pisanellibice.com
Todd L. Bice, Esq., Bar No. 4534
TLB@pisanellibice.com
Debra L. Spinelli, Esq., Bar No. 9695
DLS@pisanellibice.com
Eric T. Aldrian, Esq., Bar No. 11897
ETA@pisanellibice.com
PISANELLI BICE PLLC
3883 Howard Hughes Parkway, Suite 800
Las Vegas, Nevada 89169
Telephone: 702.214.2100
Facsimile: 702.214.2101

*Attorneys for Real Party in Interest
Steven C. Jacobs*

LAS VEGAS SANDS, CORP., a
Nevada corporation, and
SANDS CHINA LTD., a
Cayman Islands corporation,

Petitioners,

vs.

CLARK COUNTY DISTRICT
COURT, THE HONORABLE
ELIZABETH GONZALEZ,
DISTRICT JUDGE,
DEPARTMENT 11,

Respondents,

and

STEVEN C. JACOBS,

Real Party in Interest.

Electronically Filed
Aug 06 2013 10:28 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

Sup. Ct. Case No. 63444

District Court Case No.
A-10-627691

**REAL PARTY IN INTEREST,
STEVEN C. JACOBS' APPENDIX
TO ANSWER TO EMERGENCY
PETITION FOR WRIT OF
PROHIBITION OR MANDAMUS
TO PROTECT
PRIVILEGED DOCUMENTS**

VOLUME I OF II

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of Pisanelli Bice, and that on this 5th day of August, 2013, I efiled and sent via email and United States Mail, postage prepaid, a true and correct copy of the above and foregoing **REAL PARTY IN INTEREST, STEVEN C. JACOBS' APPENDIX TO ANSWER TO EMERGENCY PETITION FOR WRIT OF PROHIBITION OR MANDAMUS TO PROTECT PRIVILEGED DOCUMENTS (VOLUME I OF II)** properly addressed to the following:

J. Stephen Peek, Esq.
Robert J. Cassity, Esq.
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134

J. Randall Jones, Esq.
Mark M. Jones, Esq.
KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway, 17th Floor
Las Vegas, NV 89169

Steve Morris, Esq.
Rosa Solis-Rainey, Esq.
MORRIS LAW GROUP
300 South Fourth Street, Suite 900
Las Vegas, NV 89101

SERVED VIA HAND-DELIVERY ON AUGUST 6, 2013

The Honorable Elizabeth Gonzalez
Eighth Judicial District Court, Dept. XI
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

/s/ Kimberly Peets
An employee of Pisanelli Bice, PLLC

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U.S.	EUROPE	ASIA	
DJIA	15,602.54	-55.82	-0.36%
S&P 500	1,705.75	-3.92	-0.23%
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Las Vegas Sands Plunges on Default, Bankruptcy Risk (Update4)

By Beth Jinks - November 6, 2008 16:15 EST

Nov. 6 (Bloomberg) -- Las Vegas Sands Corp., billionaire Sheldon Adelson's casino company, fell the most in New York trading since going public after saying it may default on debt and face bankruptcy.

The casino owner, which had \$8.8 billion in long-term debt at the end of June, said in a regulatory filing today that it probably won't meet the requirements of loans arranged by Citigroup Inc., Goldman Sachs Group Inc. and Lehman Brothers Holdings Inc. unless it cuts spending on developments, boosts earnings at its Las Vegas Strip casinos and raises more capital.

The reversal of fortune is a black eye for the 75-year-old Adelson, who was once America's third-richest man on the strength of his Las Vegas Sands holdings. The Las Vegas-based company's dwindling cash flow is threatening \$16 billion worth of developments in Macau, China, and Singapore, where Las Vegas Sands is building resorts to cater to wealthy Asian gamblers.

"They need to raise money," said Keith Foley, a New York-based analyst at Moody's Investors Service Inc. "It's getting to the point where they need to do something now."

The shares dropped \$3.81, or 33 percent, to \$7.85 at 4:04 p.m. in New York Stock Exchange composite trading, the biggest decline since its initial share sale in December 2004. Las Vegas Sands had tumbled 91 percent before today this year as investors dumped the stock, worried that falling casino winnings and the global financial meltdown would leave the company without enough cash.

More Capital

Spending declines on the Vegas Strip and restrictions on visas in Macau have stemmed the flow of cash into Las Vegas Sands. Today's admission comes after Adelson, who holds a stake of more than 64 percent, invested an additional \$475 million in September to avoid violating the terms of a loan, and hired an unidentified investment bank to raise more capital with his help.

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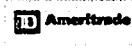


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Las Vegas Sands' rush to raise capital ``points to the deterioration of fundamentals, not just for the company, the fundamentals of Las Vegas," said Dennis Farrell, a debt analyst with Wachovia Capital Markets LLC in Charlotte, North Carolina.

The casino owner said it doesn't expect to meet a maximum leverage ratio covenant in the fourth quarter. That would trigger defaults that might force it to suspend development projects and ``raise a substantial doubt about the company's ability to continue as a going concern."

``Sheldon still has considerable resources, and we doubt he will sit on the sidelines and watch LVS go bankrupt," Robert LaFleur at Susquehanna Financial Group LLLP, said today in a client note he titled ``Scary Post-Halloween 8-K Filing." ``The question is how much dry powder does he have, and what can he do?"

Deep Pockets

In a July conference call, Adelson suggested he would step in to help the company with any financing it might need, saying a friend described him as ``the tallest person I know when you stand on your wallet."

``And I'm saying right now, the company will not have liquidity problems," he said at the time.

Ron Reese, a spokesman for Adelson, didn't return an e-mail seeking an interview.

Las Vegas Sands made a filing with regulators today to allow it to quickly sell stocks or bonds if it finds investors.

``The offering shows what their intent is, but it doesn't mean they'll be successful," said Foley. ``How and when is uncertain, and their ability to successfully do that is uncertain."

Adelson founded the Comdex computer expo in 1979, later selling the business and using the proceeds to build the Venetian Resort Hotel Casino in Las Vegas.

U.S. Projects

He is also building a \$600 million condominium in Vegas and a \$600 million casino resort in Bethlehem, Pennsylvania. The risk of default applies to some of Sands' U.S. unit loans.

``It would be prohibitively expensive to raise outside debt capital at this time," said Farrell. The company will probably sell more stock, which would hurt existing shareholders including Adelson.

Other alternatives might be another investment from Adelson, an injection of cash from an outside investor or a loan from foreign banks, said Farrell.

The filing, which affects its U.S. unit's debt, sparked new concerns that Las Vegas Sands won't finish Singapore's first casino or a 20,000-room complex of hotels and casinos in Macau. The Chinese territory overtook the Vegas Strip as the world's biggest gambling market in 2006.

'Other Alternatives'

Should Sands fail to raise capital, ``we would need to immediately suspend portions, if not all, of our ongoing global development projects and consider other alternatives," the company said in the filing.

APP000002

Las Vegas Sands owns the Venetian and Palazzo casino resorts on the Las Vegas Strip, plus the Macau Venetian, Sands and Four Seasons, and had expected sufficient earnings from the properties to fund its expansion and pay loans.

Las Vegas Strip casino gambling revenue slid 6.7 percent this year through August, on track for its biggest annual decline on record, as airlines cut back capacity and consumers, battling declining home values, job losses and the worst financial crisis since the Great Depression, spent less.

China increased visa restrictions on some mainland residents traveling to Macau, causing casino gambling revenue in the former Portuguese colony to fall to 26 billion patacas (\$3.28 billion) in the third quarter from 28.9 billion patacas in the second.

Adelson plans to sell Sands' Four Seasons apartment hotel in Macau as a co-operative and wants to sell the attached mall space.

To contact the reporter on this story: Beth Jinks in New York at bjinks1@bloomberg.net

To contact the editor responsible for this story: Michael Nol at mnol@bloomberg.net



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APP000003

Steve Jacobs
Offer Terms and Conditions

1. Position: President and CEO Macau, listed company (ListCo)
 - a. Reporting into President and COO LVS or CEO/Chairman LVS
 - b. All staff to be direct reports, including EVP/President, Asia Development
2. Term: 3 years
3. Base Salary and Annual Bonus
 - a. 1.3 M base (USD)
 - b. 50% bonus
 - i. 25% Achieving annual EBITDAR Performance as submitted and approved by the BOD for Macau
 - ii. 25% Individual Objectives to be mutually agreed on an annual basis
4. Equity
 - a. 500,000 options in LVS to be granted date of hire at FMV. Should there be an IPO of Macau, LVS options to be converted at IPO into sufficient numbers of ListCo options such that the aggregate FMV of ListCo at the IPO list price is equal to the aggregate FMV of the LVS stock being converted. Conversion to be tax free.
 - b. Vesting
 - i. 250,000 shares vest Jan 1, 2010
 - ii. 125,000 shares vest Jan 1, 2011
 - iii. 125,000 shares vest Jan 1, 2012
5. Expat package
 - a. 10,000 one time fee to cover moving expense from Atlanta to HK
 - b. Housing Allowance: 12,000 per month, company pays deposits (if required)
 - c. Repatriation: Business airfare for employee and dependants, one 20 foot container, company to pay termination fees (if any)
 - d. Employee agrees to apply for Full Time Resident Status.
6. Expense reimbursement/ Business Travel
 - a. Full reimbursement of expenses necessary to conduct business and in keeping with company and IRS policy
 - b. Business travel: Business class or above subject to prevailing company policy
7. Employee Benefit Plan: Participation in any established plan(s) for senior executives
8. Vacation and Holidays: 4 weeks per annum, with right to carry over should business demands prevent use
9. Change of Control: Provision to accelerate vest and terminate not for cause should Sheldon or Miri not be in control of company
10. Termination:
 - a. For Cause – Standard Language
 - b. Not For Cause – 1 Year severance, accelerated vest. Right to exercise for 1 year post termination.

SJ000017

APP000004

**Glaser Weil Fink Jacobs
Howard & Shapiro LLP**

10250 Constellation Blvd.
19th Floor
Los Angeles, CA 90067
310.553.3000 TEL
310.556.2920 FAX

November 23, 2010

Direct Dial
(310) 282-6217
Email
Pglaser@glaserweil.com

VIA FACSIMILE TRANSMISSION AND U.S. MAIL

Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

Re: Las Vegas Sands Corp., et al. adv. Jacobs

Dear Mr. Campbell:

This law firm represents Sands China Ltd. together with its subsidiaries (the "Company"). While we will be responding in due course to what we believe, to be kind, an ill-advised complaint filed in the above referenced matter, we address here a matter of immediate concern to our client. We have reason to believe, based on conversations with existing and former employees and consultants for the Company, that Mr. Jacobs has stolen Company property including but not limited to three reports he, while working for the Company, received from Mr. Steve Vickers of International Risk Ltd.

We urge Mr. Jacobs to avoid the "I don't know what you're talking about" charade and return such reports (and any copies thereof) of which most if not all, have been watermarked. Of course, to the extent he has other Company property, such property must also be returned immediately. If we do not receive the reports within the next five (5) business days, we will be forced to seek Court intervention either in Las Vegas or Macau.

On a related matter, we hereby demand and advise Mr. Jacobs (and any consulting company with which he is or was associated) to retain all of his/their files and his wife's files related to the Company and Las Vegas Sands Corp. Also, we remind Mr. Jacobs and his wife to preserve (a) all electronic mail and information about electronic mail (including message contents, header information, and logs of electronic mail system usage including both personal and business electronic mail accounts; (b) all databases (including all records and fields and structural information in such databases); (c) all logs of activity on computer systems that may have been used to process or store electronic data; (d) all word processing files and file

Donald Campbell, Esq.
Campbell & Williams
November 23, 2010
Page 2

fragments; and (e) all other electronic data in each case relating to the Company or Las Vegas Sands Corp.

To minimize the risk of spoliation of relevant electronic documents, Mr. Jacobs (and any consulting company with which he is or was associated) and his wife should not modify or delete any electronic data files relating to the Company or Las Vegas Sands Corp. that are maintained on on-line storage and/or direct access storage devices unless a true and correct copy of each such electronic data file has been made and steps taken to ensure that such copy will be preserved and accessible.

Obviously, no one should alter or erase such electronic data and should not perform any other procedures (such as data compression and disc de-fragmentation or optimization routines) that may impact such data on any stand-alone computers and/or network workstations unless a true and correct copy has been made of such active files and of completely restored versions of such deleted electronic files and fragments and unless copies have been made of all directory listings (including hidden files) for all directories and subdirectories containing such files, and unless arrangements have been made to preserve copies.

Finally, any and all steps necessary to preserve relevant evidence created subsequent to this letter should be taken.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.


Very truly yours,



Patricia Glaser
of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

PLG:jam

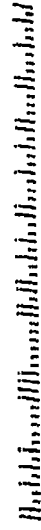
Glaser Weil Fink Jacobs
Howard & Shapiro LLP
10250 Constellation Blvd.
19th Floor
Los Angeles, CA 90067

 MERITAS LAW FIRMS WORLDWIDE



Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

8910136908 0005



APP000007



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

VIA FACSIMILE

November 30, 2010

Patricia Glaser, Esq.
Glaser Weil Fink Jacobs
Howard & Shapiro
10250 Constellation Blvd.
Los Angeles, California 90067

Re: *Jacobs v. Las Vegas Sands Corp., et al.*

Dear Ms. Glaser:

We are in receipt of your letter dated November 23, 2010, which was received shortly before the Thanksgiving Holiday. Before turning to the substance contained therein, let me begin by stating "nice to meet you, too."

Moving on . . . please be advised that my firm and I have been consumed in another piece of commercial litigation that has been proceeding on an expedited basis with a myriad of court hearings and deadlines throughout the month of November and continuing into December. You may confirm the existence and breakneck pace of the litigation about which I speak with your local counsel, Stephen Peek and Justin Jones, as they represent one of the parties in the action. As such, I have not had an opportunity to address the contents of your letter with my client, Mr. Jacobs. I do, however, anticipate being able to discuss this matter with him in detail early next week.

Meanwhile, you may assist us in avoiding your self-coined "I don't know what you're talking about" charade" by describing in more detail the "three reports" referenced in your letter. It has been our experience that wrongfully terminated corporate executives are often—and properly—in possession of a multitude of documents received during the ordinary course of their employment. Contrary to the allegations contained in your letter, that does not mean the documents were "stolen." Thus, in order to determine whether Mr. Jacobs possesses the reports you want "returned immediately," it would help to know exactly what you are talking about.

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101

PHONE: 702/382-8222
FAX: 702/382-0540

APP000008

000691

Patricia Glaser, Esq.
November 30, 2010
Page 2

Finally, insofar as Mr. Jacobs is in possession of any other documents or evidence related to Sands China, Ltd. and Las Vegas Sands, Corp. we have previously instructed him, as we instruct any client, to preserve all such materials in whatever form they exist.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,

CAMPBELL & WILLIAMS


Donald J. Campbell, Esq.

DJC:mp

Glaser Weil Fink Jacobs
Howard & Shapiro LLP

10250 Constellation Blvd.
19th Floor
Los Angeles, CA 90067
310.553.3000 TEL
310.556.2920 FAX

December 3, 2010

Direct Dial
(310) 282-6217

Email
Pglaser@glaserweil.com

VIA FACSIMILE TRANSMISSION AND U.S. MAIL

Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

Re: Las Vegas Sands Corp., et al. adv. Jacobs

Dear Mr. Campbell:

We received your November 30, 2010 letter, and appreciate the exigencies of a big caseload; however, we trust that you now have had sufficient time to discuss the matters addressed in our prior letter with your client.

Additionally, we presume that after speaking with your client, you are now well aware of the specific identity and content of the reports from Mr. Steve Vickers referenced in my prior letter, and require no further explanation. As you can now assuredly appreciate, these reports are far from ministerial and are not those you improperly characterized as merely "documents received during the ordinary course of [Jacobs] employment." This information is the sole property of your client's former employer and must be returned immediately.

To the extent that you need any further clarification, your client has improperly acquired, and must now return, the report detailing the investigation commissioned from Mr. Vickers regarding certain Macau government officials, as well as the two reports relating to the background investigations of Cheung Chi Tai and Heung Wah Keong.

As stated in my prior letter, these reports have been watermarked to identify your client as the recipient, and your client has wrongfully obtained these reports in direct contravention of our client's rights. We do not wish to argue with you at this time about the particulars of how or why your client is in possession of these reports, but only demand that they be returned immediately, along with any and all copies.

Donald Campbell, Esq.
Campbell & Williams
December 3, 2010
Page 2

Finally, we appreciate your assurances that your client is preserving all relevant information in this case, and we expect that such preservation will extend to all evidence created subsequent to the receipt of this letter.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,


A handwritten signature in black ink, appearing to read "Patricia Glaser", written in a cursive style.

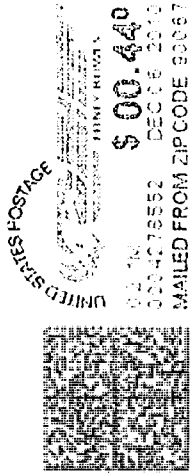
Patricia Glaser
of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

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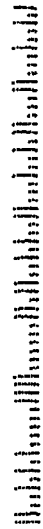
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10250 Constellation Blvd.
19th Floor
Los Angeles, CA 90067

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DONALD CAMPBELL, ESQ.
CAMPBELL & WILLIAMS
700 SOUTH SEVENTH STREET
LAS VEGAS, NV 88101

8910136908 0006 

APP000012



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

Via E-Mail
Pglaser@glaserweil.com

January 11, 2011

Patricia Glaser
Glaser, Weil, Fink, Jacobs, et al.
10250 Constellation Blvd., 19th Floor
Los Angeles, California 90067

Re: *Jacobs v. Las Vegas Sands Corp.*

Dear Ms. Glaser:

I am in receipt of your e-mailed letter sent to us last Friday evening. As I am presently out of state, I wanted to get you a quick response.

The original materials forwarded to you were sent directly by Mr. Jacobs. There was no Heung Wah Keong report found by Mr. Jacobs in any files currently in his possession. This is not to say that a copy of such a report might not later be located, but Mr. Jacobs feels confident he has conducted a review which has been fairly exhaustive and, accordingly, thinks the likelihood of his possession of the same is remote.

Mr. Jacobs does, however, maintain possession of a copy of those original reports which he forwarded to your attention. Mr. Jacobs respectfully declines your request that he destroy them. Instead, it is his intention to preserve all such copies which are likely to be of evidentiary value in any future legal proceedings.

Sincerely yours,

CAMPBELL & WILLIAMS

Donald J. Campbell

Donald J. Campbell, Esq.

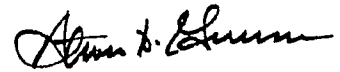
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700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5322
FAX: 702/382-0340

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CLERK OF THE COURT

ACOM
CAMPBELL & WILLIAMS
DONALD J. CAMPBELL, ESQ. (#1216)
djc@campbellandwilliams.com
J. COLBY WILLIAMS, ESQ. (#5549)
jcw@campbellandwilliams.com
700 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 382-5222
Facsimile: (702) 382-0540

Attorneys for Plaintiff
Steven C. Jacobs

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

vs.

LAS VEGAS SANDS CORP., a Nevada
corporation; SANDS CHINA LTD., a Cayman
Islands corporation; SHELDON G. ADELSON,
in his individual and representative capacity,
DOES I through X; and ROE CORPORATIONS
I through X,

Defendants.

CASE NO. A-10-627691-C
DEPT. NO. XI

FIRST AMENDED COMPLAINT

**Exempt from Arbitration
Amount in Excess of \$50,000**

Plaintiff, for his causes of action against Defendants, alleges and avers as follows:

PARTIES

1. Plaintiff Steven C. Jacobs ("Jacobs") is a citizen of the State of Florida who also maintains a residence in the State of Georgia.

2. Defendant Las Vegas Sands Corp. ("LVSC") is a corporation organized and existing under the laws of the State of Nevada with its principal place of business in Clark County, Nevada.



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LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 3. Defendant Sands China Ltd. ("Sands China") is a Cayman Islands corporation and
2 a majority-owned subsidiary of LVSC through which the latter engaged in certain of the acts and
3 omissions alleged below. LVSC is the controlling shareholder of Sands China and, thus, has the
4 ability to exercise control over Sands China's business policies and affairs. Sands China, through
5 its subsidiary Venetian Macau, S.A. (also known as Venetian Macau Limited ("VML")), is the
6 holder of a subconcession granted by the Macau government that allows Defendants to conduct
7 gaming operations in Macau.
8

9 4. Defendant Sheldon G. Adelson ("Adelson") is a citizen of Nevada. Adelson is the
10 Chairman of the Board and Chief Executive Officer of LVSC and also acts as the Chairman of the
11 Board of Sands China.
12

13 5. The true names and capacities, whether individual, corporate, partnership,
14 associate or otherwise of Defendants named herein as DOES I through X, inclusive, and ROE
15 CORPORATIONS I through X, inclusive, and each of them are unknown to Plaintiff at this time,
16 and he therefore sues said Defendants and each of them by such fictitious names. Plaintiff will
17 advise this Court and seek leave to amend this Complaint when the names and capacities of each
18 such Defendants have been ascertained. Plaintiff alleges that each said Defendant herein
19 designated as a DOE or ROE is responsible in some manner for the events and happenings herein
20 referred to as hereinafter alleged.
21

22 6. Each Defendant is the agent of the other Defendants such that each Defendant is
23 fully liable and responsible for all the acts and omissions of all of the other Defendants as set
24 forth herein.
25

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FAX: 702/382-0540

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JURISDICTION AND VENUE

7. The Court has personal jurisdiction over the Defendants and the claims set forth herein pursuant to NRS 14.065 on grounds that such jurisdiction is not inconsistent with the Nevada Constitution or United States Constitution.

8. Venue is proper in this Court pursuant to NRS 13.010 *et seq.* because, among other reasons, LVSC operates its principal place of business in Clark County, Nevada, Sands China engages in a number of systematic and ongoing transactions with LVSC in Nevada, and this action arises out of agreements originating in Clark County, Nevada.

ALLEGATIONS COMMON TO ALL CLAIMS

Background

9. LVSC and its subsidiaries develop and operate large integrated resorts worldwide. The company owns properties in Las Vegas, Nevada, Macau (a Special Administrative Region of China), Singapore, and Bethlehem, Pennsylvania.

10. The company's Las Vegas properties consist of The Palazzo Resort Hotel Casino, The Venetian Resort Hotel Casino, and the Sands Expo and Convention Center.

11. Macau, which is located on the South China Sea approximately 37 miles southwest of Hong Kong and was a Portuguese colony for over 400 years, is the largest and fastest growing gaming market in the world. It is the only market in China to offer legalized gaming. In 2004, LVSC opened the Sands Macau, the first Las Vegas-style casino in Macau. Thereafter, LVSC opened the Venetian Macau and the Four Seasons Macau on the Cotai Strip section of Macau where the company has resumed development of additional casino-resort properties.

12. Beginning in or about 2008, LVSC's business (as well as that of its competitors in the gaming industry) was severely and adversely impacted by the global economic downturn. LVSC's problems due to the economy in general were exacerbated when the Chinese government



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& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 imposed visa restrictions limiting the number of permitted visits by Chinese nationals to Macau.
2 Because Chinese nationals make up more than half the patrons of Macau casinos, China's policy
3 significantly reduced the number of visitors to Macau from mainland China, which adversely
4 impacted tourism and the gaming industry in Macau.
5

6 13. As a result of the deteriorating economy, adverse visa developments in Macau,
7 and related issues, LVSC faced increased cash flow needs which, in turn, threatened to trigger a
8 breach of the company's maximum leverage ratio covenant in its U.S. credit facilities. The
9 management of LVSC (which was led at the time by the company's longtime and well-respected
10 President and Chief Operating Officer ("COO"), William Weidner) and the company's Board of
11 Directors (which is led by the company's notoriously bellicose Chief Executive Officer and
12 majority shareholder, Sheldon G. Adelson) engaged in serious disagreements regarding how and
13 when to obtain liquidity in order to avoid a covenant breach. The disagreements were significant
14 enough to force the company to form a special committee to address the serious conflicts between
15 management and Adelson.
16

17 14. Because Adelson delayed accessing the capital markets, against Weidner's
18 repeated advice and the advice of LVSC's investment bank, the company was forced to engage in
19 a number of emergency transactions to raise funds in late 2008 and early 2009. These
20 transactions included large investments in the company by Adelson through the purchase of
21 convertible senior notes, preferred shares, and warrants. Additionally, LVSC, which was already
22 publicly traded on the New York Stock Exchange, conducted a further public offering of the
23 company's common stock. Finally, LVSC also took measures to preserve company funds, which
24 included the shelving of various development projects in Las Vegas, Macau, and Pennsylvania.
25

26 15. Despite the efforts of LVSC to stop its financial hemorrhaging, the company's
27 stock plummeted to an all-time low closing price of \$1.41 per share on March 9, 2009. Less than
28



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700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 one year earlier, in April 2008, the stock had traded at more than \$80 per share. The all-time low
2 share price coincided with LVSC's public announcement that William Weidner had left the
3 company due to his ongoing disagreements with the mercurial Adelson about the management of
4 the company. Weidner was replaced as President and COO by Michael Leven, a member of
5 LVSC's Board of Directors.
6

7 **LVSC Hires Steven Jacobs To Run Its Macau Operations**

8 16. Prior to his elevation to the post of LVSC's President and COO, Mr. Leven had
9 reached out to Plaintiff Steven Jacobs to discuss with him the identification and evaluation of
10 various candidates then being considered for the position by LVSC's Board of Directors. Messrs.
11 Leven and Jacobs had known each other for many years having worked together as executives at
12 U.S. Franchise Systems in the 1990's and in subsequent business ventures thereafter. After
13 several outside candidates were interviewed without reaching an agreement, Leven received an
14 offer from LVSC's board to become the company's President and COO. Leven again reached out
15 to Jacobs to discuss the opportunity and the conditions under which he should accept the position.
16 The conditions included but were not limited to Leven's compensation package and a
17 commitment from Jacobs to join Leven for a period of 90-120 days to "ensure my [Leven's]
18 success."
19

20
21 17. Jacobs travelled to Las Vegas in March 2009 where he met with Leven and
22 Adelson for several days to review the company's Nevada operations. While in Las Vegas, the
23 parties agreed to consulting contract between LVSC and Jacobs' company, Vagus Group, Inc.
24 Jacobs then began working for LVSC restructuring its Las Vegas operations.
25

26 18. Jacobs, Leven, and Adelson subsequently travelled to Macau to conduct a review
27 of LVSC's operations in that location. While in Macau, Leven told Jacobs that he wanted to hire
28 him to run LVSC's Macau operations. Jacobs and Leven returned to Las Vegas after spending



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700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/352-5222
FAX: 702/352-0540

1 approximately a week in Macau. Jacobs then spent the bulk of the next 2-3 weeks working on the
2 Las Vegas restructuring program and also negotiating with Leven regarding the latter's desire to
3 hire him as a full-time executive with the company and the terms upon which Jacobs would agree
4 to do so.

5
6 19. On May 6, 2009, LVSC, through Leven, announced that Jacobs would become the
7 interim President of Macau Operations. Jacobs was charged with restructuring the financial and
8 operational aspects of the Macau assets. This included, among other things, lowering operating
9 costs, developing and implementing new strategies, building new ties with local and national
10 government officials, and eventually spinning off the Macau assets into a new company to be
11 taken public on the Hong Kong Stock Exchange.

12
13 20. Notwithstanding that Jacobs would be spending the majority of his time in Macau
14 focusing on LVSC's operations in that location, he was also required to perform duties in Las
15 Vegas including, but not limited to, working with LVSC's Las Vegas staff on reducing costs
16 within the company's Las Vegas operations, consulting on staffing and delayed opening issues
17 related to the company's Marina Bay Sands project in Singapore, and participating in meetings of
18 LVSC's Board of Directors.

19
20 21. On June 24, 2009, LVSC awarded Jacobs 75,000 stock options in the company to
21 reward him for his past performance as a LVSC team member and to incentivize him to improve
22 his future performance as well as that of the company. LVSC and Jacobs executed a written
23 Nonqualified Stock Option Agreement memorializing the award, which is governed by Nevada
24 law.

25
26 22. On or about August 4, 2009, Jacobs received a document from LVSC styled
27 "Offer Terms and Conditions" (the "Term Sheet") for the position of "President and CEO
28 Macau[.]" The Term Sheet reflected the terms and conditions of employment that had been



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ATTORNEYS AT LAW
700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-6222
FAX: 702/382-0540

1 negotiated by Leven and Jacobs while Jacobs was in Las Vegas working under the original
2 consulting agreement with LVSC and during his subsequent trips back to Las Vegas. The Term
3 Sheet was signed by Leven on behalf of LVSC on or about August 3, 2009 and faxed to Jacobs in
4 Macau by Pattie Murray, an LVSC executive assistant located in the company's Las Vegas
5 offices. Jacobs signed the Term Sheet accepting the offer contained therein and returned a copy
6 to LVSC. LVSC's Compensation Committee approved Jacobs' contract on or about August 6,
7 2009.
8

9 **Jacobs Saves the Titanic**

10 23. The accomplishments for the four quarters over which Jacobs presided created
11 significant value to the shareholders of LVSC. From an operational perspective, Jacobs and his
12 team removed over \$365 million of costs from LVSC's Macau operations, repaired strained
13 relationships with local and national government officials in Macau who would no longer meet
14 with Adelson due to his rude and obstreperous behavior, and refocused operations on core
15 businesses to drive operating margins and profits, thereby achieving the highest EBITDA figures
16 in the history of the company's Macau operations.
17

18 24. During Jacobs' tenure, LVSC launched major new initiatives to expand its reach
19 into the mainland frequent and independent traveler marketplace and became the Macau market
20 share leader in mass and direct VIP table game play. Due in large part to the success of its Macau
21 operations under Jacobs' direction, LVSC was able to raise over \$4 billion dollars from the
22 capital markets, spin off its Macau operations into a new company—Sands China—which
23 became publicly traded on the Hong Kong Stock Exchange in late November 2009, and restart
24 construction on a previously stalled expansion project on the Cotai Strip known as "Parcels 5 and
25 6." Indeed, for the second quarter ending June 2010, net revenue from Macau operations
26
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28



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700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/362-5222
FAX: 702/362-0540

1 accounted for approximately 65% of LVSC's total net revenue (i.e., \$1.04 billion USD of a total
2 \$1.59 billion USD).

3 25. To put matters in perspective, when Jacobs began performing work for the
4 company in March 2009, LVSC shares were trading at just over \$1.70 per share and its market
5 cap was approximately \$1.1 billion USD. At the time Jacobs left the company in July 2010,
6 LVSC shares were over \$28 per share and the market cap was in excess of \$19 billion USD.

7 26. Simply put, Jacobs' performance as the President and Chief Executive Officer of
8 LVSC's Macau operations was nothing short of remarkable. When members of the company's
9 Board of Directors asked Leven in February 2010 to assess Jacobs' 2009 job performance, Leven
10 advised as follows: *"there is no question as to Steve's performance[;] the Titanic hit the*
11 *iceberg[,] he arrived and not only saved the passengers[,] he saved the ship."* The board
12 awarded Jacobs his full bonus for 2009. Not more than three months later, in May 2010, in
13 recognition of his ongoing contributions and outstanding performance, the board awarded Jacobs
14 an additional 2.5 million stock options in Sands China. The options had an accelerated vesting
15 period of less than two years. Jacobs, however, would be wrongfully terminated in just two
16 months.
17

18
19
20 **Jacobs' Conflicts with Adelson**

21 27. Jacobs' performance was all the more remarkable given the repeated and
22 outrageous demands made upon him by Adelson which included, but were not limited to, the
23 following:

- 24 a. demands that Jacobs use improper "leverage" against senior
25 government officials of Macau in order to obtain Strata-Title for
26 the Four Seasons Apartments in Macau;
27 b. demands that Jacobs threaten to withhold Sands China business
28 from prominent Chinese banks unless they agreed to use influence
with newly-elected senior government officials of Macau in order



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PHONE: 702/382-5222
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1 to obtain Strata-Title for the Four Seasons Apartments and
2 favorable treatment with regards to labor quotas and table limits;

3 c. demands that secret investigations be performed regarding the
4 business and financial affairs of various high-ranking members of
5 the Macau government so that any negative information obtained
6 could be used to exert "leverage" in order to thwart government
7 regulations/initiatives viewed as adverse to LVSC's interests;

8 d. demands that Sands China continue to use the legal services of
9 Macau attorney Leonel Alves despite concerns that Mr. Alves'
10 retention posed serious risks under the criminal provisions of the
11 United States code commonly known as the Foreign Corrupt
12 Practices Act ("FCPA"); and

13 e. demands that Jacobs refrain from disclosing truthful and material
14 information to the Board of Directors of Sands China so that it
15 could decide if such information relating to material financial
16 events, corporate governance, and corporate independence should
17 be disclosed pursuant to regulations of the Hong Kong Stock
18 Exchange. These issues included, but were not limited to, junkets
19 and triads, government investigations, Leonel Alves and FCPA
20 concerns, development issues concerning Parcels 3, 7 and 8, and
21 the design, delays and cost overruns associated with the
22 development of Parcels 5 and 6.

23 28. When Jacobs objected to and/or refused to carry out Adelson's illegal demands,
24 Adelson repeatedly threatened to terminate Jacobs' employment. This is particularly true in
25 reference to: (i) Jacobs' refusal to comply with Adelson's edict to terminate Sands China's
26 General Counsel, Luis Melo, and his entire legal department and replace him/it with Leonel Alves
27 and his team; and (ii) Adelson's refusal to allow Jacobs to present to the Sands China board
28 information that the company's development of Parcels 5 and 6 was at least 6 months delayed and
more than \$300 million USD over-budget due to Adelson-mandated designs and accoutrements
the Sands China management team did not believe would be successful in the local marketplace.

29 29. Jacobs' ongoing disagreements with Adelson came to a head when they were in
Singapore to attend the grand opening of LVSC's Marina Bay Sands in late June 2010. While in
Singapore, Jacobs attended several meetings of LVSC executives including Adelson, Leven, Ken



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Kay (LVSC's Chief Financial Officer), and others. During these meetings, Jacobs disagreed with
2 Adelson's and Leven's desire to expand the ballrooms at Parcels 5 and 6, which would add an
3 incremental cost of approximately \$30 million to a project already significantly over budget when
4 Sands China's existing facilities were already underutilized. In a separate meeting, Jacobs
5 disagreed with Adelson's desire to aggressively grow the junket business within Macau as the
6 margins were low, the decision carried credit risks, and Jacobs was concerned given recent
7 investigations by Reuters and others alleging LVSC involvement with Chinese organized crime
8 groups, known as Triads, connected to the junket business. Following these meetings, Jacobs re-
9 raised the issue about the need to advise the Sands China board of the delays and cost overruns
10 associated with the development of Parcels 5 and 6 in Macau so that a determination could be
11 made of whether the information must be disclosed in compliance with Hong Kong Stock
12 Exchange regulations. Adelson informed Jacobs that he was Chairman of the Board and the
13 controlling shareholder of Sands China and would "do as I please."

16 30. Recognizing that he owed a fiduciary duty to all of the company's shareholders,
17 not just Adelson, Jacobs placed the matter relating to the delays and cost overruns associated with
18 Parcels 5 and 6 on the agenda for the upcoming meeting of the Sands China board. Jacobs
19 exchanged multiple e-mails with Adelson's longtime personal assistant, Betty Yurcich, in
20 attempts to obtain Adelson's concurrence with the agenda. Adelson finally relented and allowed
21 the matter to remain on the agenda, but it would come at a price for Jacobs.

23 31. On July 23, 2010, Jacobs attended a meeting with Leven and LVSC/Sands China
24 board member, Irwin Siegel, for the ostensible purpose of discussing the upcoming Sands China
25 board meeting. During the meeting, Leven unceremoniously advised Jacobs that he was being
26 terminated effective immediately. When Jacobs asked whether the termination was purportedly
27 "for cause" or not, Leven responded that he was "not sure" but that the severance provisions of
28



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW
700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 the Term Sheet would not be honored. Leven then handed Jacobs a terse letter from Adelson
2 advising him of the termination. The letter was silent on the issue of "cause."

3 32. After the meeting with Leven and Siegel, Jacobs was escorted off the property by
4 two members of security in public view of many company employees, resort guests, and casino
5 patrons. Jacobs was not permitted to return to his office to collect his belongings, but was instead
6 escorted to the border to leave Macau.
7

8 33. Nearly two weeks later and after an unsuccessful effort to dig up any real "dirt" on
9 Jacobs, LVSC sent a second letter to Jacobs on VML letterhead which identified 12 pretextual
10 items that allegedly support a "for cause" termination of his employment. In short, the letter
11 contends that Jacobs exceeded his authority and—in the height of hypocrisy—failed to keep the
12 companies' Boards of Directors informed of important business decisions. The reality is that
13 none of the 12 items, even assuming *arguendo* that some of them are accurate, constitute "cause"
14 as they simply reflect routine and appropriate actions of a senior executive functioning in the
15 president and chief executive role of a publicly traded company.
16

17 34. Within approximately four weeks of Jacobs' termination, Sands China went
18 forward with Adelson's desire to terminate its General Counsel, Luis Melo, and replace him with
19 Leonel Alves despite acknowledged disputes within Sands China regarding Alves' employment
20 with the company. In or about the same time frame, Sands China publicly announced a material
21 delay in the construction of Parcels 5 and 6 and a cost increase of \$100 million to the project,
22 thereby acknowledging the correctness of Jacobs' position that such matters must be disclosed.
23

24 FIRST CAUSE OF ACTION

25 (Breach of Contract - LVSC)

26 35. Plaintiff restates all preceding and subsequent allegations as though fully set forth
27 herein.
28



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LAS VEGAS, NEVADA 89101
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FAX: 702/382-0540

1 36. Jacobs and LVSC are parties to various contracts, including the Term Sheet and
2 Nonqualified Stock Option Agreement identified herein.

3 37. The Term Sheet provides, in part, that Jacobs would have a 3-year employment
4 term, that he would earn an annual salary of \$1.3 million plus a 50% bonus upon attainment of
5 certain goals, and that he would receive 500,000 LVSC stock options (in addition to the
6 previously awarded 75,000 LVSC options) to vest in stages over three years.

7 38. The Term Sheet further provides that in the event Jacobs was terminated "Not For
8 Cause," he would be entitled to one year of severance plus accelerated vesting of all his stock
9 options with a one-year right to exercise the options post-termination.
10

11 39. Jacobs has performed all of his obligations under the contracts except where
12 excused.
13

14 40. LVSC has breached the Term Sheet agreement by purportedly terminating Jacobs
15 for "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the
16 belatedly-manufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."

17 41. On September 24, 2010, Jacobs made proper demand upon LVSC to honor his
18 right to exercise the remaining stock options he had been awarded in the company. The closing
19 price of LVSC's stock on September 24, 2010 was \$33.63 per share. At the time of filing the
20 instant action, LVSC's stock was trading at approximately \$38.50 per share. LVSC rejected
21 Jacobs' demand and, thus, further breached the Term Sheet and the stock option agreement by
22 failing to honor the vesting and related provisions contained therein based on the pretext that
23 Jacobs was terminated for "cause."
24

25 42. LVSC has wrongfully characterized Jacobs' termination as one for "cause" in an
26 effort to deprive him of contractual benefits to which he is otherwise entitled. As a direct and
27 proximate result of LVSC's wrongful termination of Jacobs' employment and failure to honor the
28



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1 "Not For Cause" severance provisions contained in the Term Sheet, Jacobs has suffered damages
2 in an amount to be proven at trial but in excess of \$10,000.

3
4 **SECOND CAUSE OF ACTION**

5 **(Breach of Contract – LVSC and Sands China Ltd.)**

6 43. Plaintiff incorporates all preceding and subsequent allegations as though fully set
7 forth herein.

8 44. On or about May 11, 2010, LVSC caused Sands China to grant 2.5 million Sands
9 China share options to Jacobs. Fifty percent of the options were to vest on January 1, 2011, and
10 the other fifty percent was to vest on January 1, 2012. The grant is memorialized by a written
11 agreement between Jacobs and Sands China.
12

13 45. Pursuant to the Term Sheet agreement between Jacobs and LVSC, Jacobs' stock
14 options are subject to an accelerated vest in the event he is terminated "Not for Cause." The Term
15 Sheet further provides Jacobs with a one-year right to exercise the options post-termination.

16 46. Jacobs has performed all his obligations under the contracts except where excused.

17 47. On September 24, 2010, Jacobs made proper demand upon LVSC and Sands
18 China to honor his right to exercise the remaining 2.5 million stock options he had been awarded
19 in Sands China. The closing price of Sands China's stock on September 24, 2010 was \$12.86
20 HKD per share. At the time of filing the instant action, Sands China's stock was trading at
21 approximately \$15.00 per share. LVSC and Sands China rejected Jacobs' demand and, thus,
22 further breached the Term Sheet and the Sands China share grant agreement by characterizing
23 Jacobs' termination as being for "cause" when, in reality, the purported bases for Jacobs'
24 termination, as identified in the belatedly-manufactured August 5, 2010 letter, are pretextual and
25 in no way constitute "cause."
26
27
28



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 48. LVSC and Sands China have wrongfully characterized Jacobs' termination as one
2 for "cause" in an effort to deprive him of contractual benefits to which he is otherwise entitled.
3 As a direct and proximate result of LVSC's and Sands China's actions, Jacobs has suffered
4 damages in an amount to be proven at trial but in excess of \$10,000.
5

6 THIRD CAUSE OF ACTION

7 (Breach of the Implied Covenant of Good Faith and Fair Dealing - LVSC)

8 49. Plaintiff incorporates all preceding and subsequent allegations as though fully set
9 forth herein.

10 50. All contracts in Nevada contain an implied covenant of good faith and fair dealing.

11 51. The conduct of LVSC described herein including, but not limited to, the improper
12 and illegal demands made upon Jacobs by Adelson, Adelson's continual undermining of Jacobs'
13 authority as the President and CEO of LVSC's Macau operations (and subsequently Sands
14 China), and the wrongful characterization of Jacobs' termination as being for "cause," is
15 unfaithful to the purpose of the agreements between Jacobs and LVSC and was not within the
16 reasonable expectations of Jacobs.
17

18 52. As a direct and proximate result of LVSC's wrongful conduct, Jacobs has suffered
19 damages in an amount to be proven at trial but in excess of \$10,000.
20

21 FOURTH CAUSE OF ACTION

22 (Tortious Discharge in Violation of Public Policy - LVSC)

23 53. Plaintiff incorporates all preceding and subsequent allegations as though fully set
24 forth herein.

25 54. As an officer of LVSC and an officer and director of Sands China, Jacobs owed a
26 fiduciary duty to the shareholders of both companies.
27
28



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LAS VEGAS, NEVADA 89101
PHONE: 702/382-6222
FAX: 702/382-0540

1 55. Certain of the improper and illegal demands made upon Jacobs by Adelson as set
2 forth above would have required Jacobs to engage in conduct that he, in good faith, believed was
3 illegal. In other instances, the improper and illegal demands would have required Jacobs to
4 refrain from engaging in conduct required by applicable law. Both forms of demands would have
5 required Jacobs to violate his fiduciary duties to the shareholders of LVSC and Sands China.
6

7 56. LVSC retaliated against Jacobs' by terminating his employment because he (i)
8 objected to and refused to participate in the illegal conduct requested by Adelson, and (ii)
9 attempted to engage in conduct that was required by law and favored by public policy. In so
10 doing, LVSC tortiously discharged Jacobs in violation of public policy.
11

12 57. As a direct and proximate result of LVSC's tortious discharge, Jacobs has suffered
13 damages in an amount to be proven at trial but in excess of \$10,000.

14 58. LVSC's conduct, which was carried out and/or ratified by managerial level agents
15 and employees, was done with malice, fraud and oppression, thereby entitling Jacobs to an award
16 of punitive damages.
17

18 FIFTH CAUSE OF ACTION

19 (Defamation Per Se - Adelson, LVSC, Sands China)

20 59. Plaintiff incorporates all preceding and subsequent allegations as though fully set
21 forth herein.

22 60. On Tuesday March 15, 2011, oral arguments by the respective counsel of Jacobs,
23 LVSC, and Sands China were presented to the Honorable Elizabeth Gonzalez, Eighth Judicial
24 District Court Judge. These arguments centered upon the motions of LVSC and Sands China to
25 have all of the foregoing causes of action, detailed in this complaint, dismissed as to each of them
26 on the grounds that 1) a necessary and indispensable party had not been named and 2) the Court
27 lacked jurisdiction over Sands China.
28



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 61. Following the 90-minute hearing, the Court denied each of the Defendants'
2 motions to dismiss the action. The hearing received widespread attention by members of the
3 media, and particularly by journalists who report on affairs in the business community. Included
4 among those reporters was Ms. Alexandra Berzon, a Pulitzer Prize winning journalist who
5 attended the hearing on behalf of her employer, the Wall Street Journal®. The Wall Street
6 Journal® is generally recognized as one of the most respected and widely read publications in the
7 world, particularly as to matters pertaining to the economy and associated commercial activities
8 and endeavors.
9

10 62. Following the hearing, the Wall Street Journal® published an article in its online
11 edition styled "Setback for Sands in Macau Suit." That article, which was authored by Ms.
12 Berzon, reported that Adelson had, via e-mail, made the following statements:
13

14 *"While I have largely stayed silent on the matter to this point, the recycling of his*
15 *allegations must be addressed," he said. "We have a substantial list of reasons*
16 *why Steve Jacobs was fired for cause and interestingly he has not refuted a single*
17 *one of them. Instead, he has attempted to explain his termination by using outright*
18 *lies and fabrications which seem to have their origins in delusion."*

19 Adelson's comments to the effect that 1) Jacobs was justifiably fired for "for cause" and
20 2) Jacobs had resorted to "outright lies and fabrications" in seeking legal redress constituted
21 defamation per se.

22 63. All of the offending statements made by Adelson concerning Jacobs and identified
23 in Paragraph 62, *supra*, were 1) false and defamatory; 2) published to a third person or party for
24 the express intent of republication to a worldwide audience; 3) maliciously published by Adelson
25 knowing their falsity and/or in reckless disregard of the truth thereof; 4) intended to and did in
26 fact harm Jacobs' reputation and good name in his trade, business, profession, and customary
27 corporate office; and 5) were of such a nature that significant economic damages must be
28 presumed.



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
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1 64. Adelson's malicious defamation of Jacobs was made in both his personal as well
2 as his representative capacities as Chairman of the Board of LVSC and as Chairman of the Board
3 of its affiliate, Sands China; both of which ratified and endorsed either explicitly or implicitly
4 Adelson's malicious invective.

5
6 65. That all the comments and statements by Adelson as detailed in Paragraph 62,
7 *supra*, were made without justification or legal excuse, and were otherwise not privileged because
8 they did not function as a necessary or useful step in the litigation process and did not otherwise
9 serve its purposes.

10 66. As a direct and proximate result of Adelson, LVSC, and Sands China's
11 defamation, Jacobs has suffered damages in an amount to be proven at trial but in excess of
12 \$10,000. Moreover, Jacobs is entitled to the imposition of punitive damages against Adelson,
13 LVSC, and Sands China, said imposition not being subject to any statutory limitations under NRS
14 42.005.
15

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiff prays for judgment against Defendants, and each of them, as
18 follows:
19

- 20 1. For compensatory damages in excess of Ten Thousand Dollars (\$10,000.00), in an
21 amount to be proven at trial;
22 2. For punitive damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount
23 to be proven at trial;
24 3. For pre-judgment and post-judgment interest, as allowed by law;
25 4. For attorney fees and costs of suit incurred herein, as allowed by law, in an amount to
26 be determined; and
27
28



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

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5. For such other and further relief as the Court may deem just and proper.

DATED this 16th day of March, 2011.

CAMPBELL & WILLIAMS

By /s/ Donald J. Campbell

DONALD J. CAMPBELL, ESQ. (1216)

J. COLBY WILLIAMS, ESQ. (5549)

700 South Seventh Street

Las Vegas, Nevada 89101

Attorneys for Plaintiff

Steven C. Jacobs



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

DISC
CAMPBELL & WILLIAMS
DONALD J. CAMPBELL, ESQ. (#1216)
djc@campbellandwilliams.com
J. COLBY WILLIAMS, ESQ. (#5549)
jcw@campbellandwilliams.com
700 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 382-5222
Facsimile: (702) 382-0540

Attorneys for Plaintiff
Steven C. Jacobs

DISTRICT COURT
CLARK COUNTY, NEVADA

STEVEN C. JACOBS,)	CASE NO. A-10-627691-C
)	DEPT. NO. XI
Plaintiff,)	
)	
vs.)	PLAINTIFF'S INITIAL
)	DISCLOSURES
LAS VEGAS SANDS CORP., a Nevada)	
corporation; SANDS CHINA LTD., a Cayman)	
Islands corporation; DOES I through X; and)	
ROE CORPORATIONS I through X,)	
)	
Defendants.)	

Plaintiff Steven C. Jacobs ("Plaintiff" or "Jacobs"), through his undersigned counsel,
hereby serves his Initial Disclosures pursuant to NRCP 16.1(a)(1):

I. WITNESSES

1. **Steve Jacobs**
c/o Campbell & Williams
700 South Seventh Street
Las Vegas, Nevada 89101
Tel. 702.382.5222



**CAMPBELL
& WILLIAMS**
ATTORNEYS AT LAW
700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Mr. Jacobs is the plaintiff in this action and has knowledge regarding the claims asserted
2 in his Complaint, his defenses to the allegations asserted in the Counterclaim, and related matters.
3

4 2. **Sheldon Adelson**

c/o Glaser Weil Fink Jacobs

Holland & Hart

Howard & Shapiro

3800 Howard Hughes Pkwy., 10th Fl.

3763 Howard Hughes Pkwy., Ste. 300

Las Vegas, Nevada 89169

Las Vegas, Nevada 89169

Tel. 707.669.4600

Tel. 702.650.7900

Morris Peterson

300 South Fourth Street, #900

Las Vegas, Nevada 89169

Tel. 702.474.9400

11 Mr. Adelson is the Chairman of the Board and CEO of Las Vegas Sands Corp. ("LVSC")
12 and the Chairman of the Board of Sands China Ltd. ("SCL"). Mr. Adelson is expected to have
13 knowledge regarding his defenses to the allegations asserted in the Complaint, the allegations
14 contained in LVSC's Counterclaim, and related matters.
15

16 3. **Michael Leven**

c/o Glaser Weil Fink Jacobs

Holland & Hart

Howard & Shapiro

3800 Howard Hughes Pkwy., 10th Fl.

3763 Howard Hughes Pkwy., Ste. 300

Las Vegas, Nevada 89169

Las Vegas, Nevada 89169

Tel. 707.669.4600

Tel. 702.650.7900

19 Mr. Leven is the President and Chief Operating Officer of LVSC as well as the acting
20 Chief Executive Officer and an Executive Director of SCL. Mr. Leven is expected to have
21 knowledge regarding LVSC's retention and hiring of Mr. Jacobs, Mr. Jacobs's job performance,
22 the conflicts between Mr. Jacobs and Mr. Adelson, and related matters.
23

24 4. **J. Alberto Gonzalez-Pita**

HCP, Inc.

3760 Kilroy Airport Way, Suite 300

Long Beach, California

Cel. 562.243.8927



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Mr. Gonzalez was General Counsel of LVSC until or about April 30, 2010. Mr. Gonzalez
2 is expected to have knowledge regarding allegations contained in the pleadings including, but not
3 limited to, the issues involving Leonel Alves, LVSC's and SCL's relationship with Cheung Chi
4 Tai, the conflicts between Mr. Jacobs and Mr. Adelson, and related matters.
5

6 5. **Kenneth J. Kay**
7 c/o Holland & Hart
8 3800 Howard Hughes Pkwy., 10th Fl.
9 Las Vegas, Nevada 89169
10 Tel. 707.669.4600

11 Mr. Kay is the Senior Vice-President and Chief Financial Officer of LVSC. Mr. Kay is
12 expected to have knowledge regarding allegations contained in the pleadings including, but not
13 limited to, Mr. Jacobs's job performance, the conflicts between Mr. Jacobs and Mr. Adelson, and
14 related matters.

15 6. **Robert G. Goldstein**
16 c/o Holland & Hart
17 3800 Howard Hughes Pkwy., 10th Fl.
18 Las Vegas, Nevada 89169
19 Tel. 707.669.4600

20 Mr. Goldstein is LVSC's President of Global Gaming Operations. Mr. Goldstein is
21 expected to have knowledge regarding allegations contained in the pleadings including, but not
22 limited to, LVSC's and SCL's relationship with Cheung Chi Tai, the conflicts between Mr.
23 Jacobs and Mr. Adelson, Mr. Jacobs's negotiations with Cirque du Soleil, and related matters.

24 7. **Luis Mesquita de Melo**
25 Address Unknown
26 Tel. 853 66485575

27 Mr. Melo is the former General Counsel of SCL. Mr. Melo is expected to have
28 knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.
Jacobs's job performance and interaction with the SCL Board of Directors, the issues involving
Leonel Alves, the conflicts between Mr. Jacobs and Mr. Adelson, and related matters.



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ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 8. **Toh Hup Hock (aka "Ben Toh")**
2 c/o Glaser Weil Fink Jacobs
3 Howard & Shapiro
4 3763 Howard Hughes Pkwy., Ste. 300
 Las Vegas, Nevada 89169
 Tel. 702.650.7900

5 Mr. Toh is the Executive Vice-President, Chief Financial Officer and an Executive
6 Director of SCL. Mr. Toh is expected to have knowledge regarding allegations contained in the
7 pleadings including, but not limited to, Mr. Jacobs's job performance, his interaction with the
8 SCL Board of Directors, and related matters.
9

10 9. **Jeffrey Howard Schwartz**
11 c/o Glaser Weil Fink Jacobs Holland & Hart
12 Howard & Shapiro 3800 Howard Hughes Pkwy., 10th Fl.
13 3763 Howard Hughes Pkwy., Ste. 300 Las Vegas, Nevada 89169
 Las Vegas, Nevada 89169 Tel. 707.669.4600
 Tel. 702.650.7900

14 Mr. Schwartz is a Non-Executive Director of SCL and a member of LVSC's Board of
15 Directors. Mr. Schwartz is expected to have knowledge regarding allegations contained in the
16 pleadings including, but not limited to, Mr. Jacobs's job performance, his interaction with the
17 SCL and LVSC Board of Directors, the decision to terminate Mr. Jacobs, and related matters.
18

19 10. **Irwin A. Siegel**
20 c/o Glaser Weil Fink Jacobs Holland & Hart
21 Howard & Shapiro 3800 Howard Hughes Pkwy., 10th Fl.
22 3763 Howard Hughes Pkwy., Ste. 300 Las Vegas, Nevada 89169
 Las Vegas, Nevada 89169 Tel. 707.669.4600
 Tel. 702.650.7900

23 Mr. Siegel is a Non-Executive Director of SCL and a member of LVSC's Board of
24 Directors. Mr. Siegel is expected to have knowledge regarding allegations contained in the
25 pleadings including, but not limited to, Mr. Jacobs's job performance, his interaction with the
26 SCL Board of Directors, the decision to terminate Mr. Jacobs, and related matters.

27 11. **Iain Ferguson Bruce**
28 c/o Glaser Weil Fink Jacobs
 Howard & Shapiro



3763 Howard Hughes Pkwy., Ste. 300
Las Vegas, Nevada 89169
Tel. 702.650.7900

Mr. Bruce is an Independent Non-Executive Director of SCL. Mr. Bruce is expected to have knowledge regarding allegations contained in the pleadings including, but not limited to, Mr. Jacobs's job performance, his interaction with the SCL Board of Directors, the decision to terminate Mr. Jacobs, and related matters.

12. **David Muir Turnbull**
c/o Glaser Weil Fink Jacobs
Howard & Shapiro
3763 Howard Hughes Pkwy., Ste. 300
Las Vegas, Nevada 89169
Tel. 702.650.7900

Mr. Turnbull is an Independent Non-Executive Director of SCL. Mr. Turnbull is expected to have knowledge regarding allegations contained in the pleadings including, but not limited to, Mr. Jacobs's job performance, his interaction with the SCL Board of Directors, the decision to terminate Mr. Jacobs, and related matters.

13. **Chiang Yun**
c/o Glaser Weil Fink Jacobs
Howard & Shapiro
3763 Howard Hughes Pkwy., Ste. 300
Las Vegas, Nevada 89169
Tel. 702.650.7900

Ms. Chiang is an Independent Non-Executive Director of SCL. Ms. Yun is expected to have knowledge regarding allegations contained in the pleadings including, but not limited to, Mr. Jacobs's job performance, his interaction with the SCL Board of Directors, the decision to terminate Mr. Jacobs, and related matters.

14. **Gayle Hyman**
c/o Holland & Hart
3800 Howard Hughes Pkwy., 10th Fl.
Las Vegas, Nevada 89169
Tel. 707.669.4600



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& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Ms. Hyman is the Senior Vice-President and General Counsel of LVSC. Ms. Hyman is
2 expected to have knowledge regarding allegations contained in the pleadings including, but not
3 limited to, Mr. Jacobs's retention and hiring by LVSC, Mr. Jacobs grant and exercise of stock
4 options in LVSC, and related matters.
5

6 15. **Betty Yurcich**
7 c/o Holland & Hart
8 3800 Howard Hughes Pkwy., 10th Fl.
9 Las Vegas, Nevada 89169
10 Tel. 707.669.4600

11 Ms. Yurcich is Mr. Adelson's executive assistant. Ms. Yurcich is expected to have
12 knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.
13 Jacobs's retention and hiring by LVSC, Mr. Jacobs's interaction with Mr. Adelson, and related
14 matters.

15 16. **Irwin Chafetz**
16 c/o Holland & Hart
17 3800 Howard Hughes Pkwy., 10th Fl.
18 Las Vegas, Nevada 89169
19 Tel. 707.669.4600

20 Mr. Chafetz is a member of LVSC's Board of Directors. Mr. Chafetz is expected to have
21 knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.
22 Jacobs's retention and hiring by LVSC, Mr. Jacobs's interaction with the LVSC Board, and
23 related matters.

24 17. **Charles D. Forman**
25 c/o Holland & Hart
26 3800 Howard Hughes Pkwy., 10th Fl.
27 Las Vegas, Nevada 89169
28 Tel. 707.669.4600

Mr. Forman is a member of LVSC's Board of Directors. Mr. Forman is expected to have
knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.



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LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Jacobs's retention and hiring by LVSC, Mr. Jacobs's interaction with the LVSC Board, and
2 related matters.

3
4 18. **George P. Koo**
5 c/o Holland & Hart
6 3800 Howard Hughes Pkwy., 10th Fl.
7 Las Vegas, Nevada 89169
8 Tel. 707.669.4600

9 Mr. Koo is a member of LVSC's Board of Directors. Mr. Koo is expected to have
10 knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.
11 Jacobs's retention and hiring by LVSC, Mr. Jacobs's interaction with the LVSC Board, and
12 related matters.

13 19. **Jason Ader**
14 c/o Holland & Hart
15 3800 Howard Hughes Pkwy., 10th Fl.
16 Las Vegas, Nevada 89169
17 Tel. 707.669.4600

18 Mr. Ader is a member of LVSC's Board of Directors. Mr. Ader is expected to have
19 knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.
20 Jacobs's retention and hiring by LVSC, Mr. Jacobs's interaction with the LVSC Board, and
21 related matters.

22 20. **Antonio Ferreira**
23 c/o Glaser Weil Fink Jacobs
24 Howard & Shapiro
25 3763 Howard Hughes Pkwy., Ste. 300
26 Las Vegas, Nevada 89169
27 Tel. 702.650.7900

28 Mr. Ferreira is the Managing Director of Venetian Macau Limited ("VML"). Mr. Ferreira
is expected to have knowledge regarding allegations contained in the pleadings including, but not
limited to, the roles and responsibilities of the SCL and VML boards of directors, the decision to
terminate Mr. Jacobs, and related matters.



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ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 21. **Frederick H. Krauss**
2 c/o Holland & Hart
3 3800 Howard Hughes Pkwy., 10th Fl.
4 Las Vegas, Nevada 89169
5 Tel. 707.669.4600

6 Mr. Krauss is the Vice-President and General Counsel of The Venetian/The Palazzo. Mr.

7 Krauss is expected to have knowledge regarding allegations contained in the pleadings including,
8 but not limited to, Defendants' relationship with Cheung Chi Tai, the licensing and approval
9 process of junkets, FCPA compliance, and related matters.

10 22. **William Bonner**
11 c/o Glaser Weil Fink Jacobs
12 Howard & Shapiro
13 3763 Howard Hughes Pkwy., Ste. 300
14 Las Vegas, Nevada 89169
15 Tel. 702.650.7900

16 Mr. Bonner is the Senior Vice-President in charge of security for SCL. Mr. Bonner is
17 expected to have knowledge regarding allegations contained in the pleadings including, but not
18 limited to, the existence of surveillance reports documenting the activities of Cheung Chi Tai at
19 SCL properties, and related matters.

20 23. **Leonel Alves**
21 Av. Da Praia Grande, 517
22 Edf. Comercial Nam Tung, 20th Floor
23 Macau, China
24 Tel. 853 28378579

25 Mr. Alves is a Macanese attorney that has performed work for SCL. Mr. Alves is
26 expected to have knowledge regarding allegations contained in the pleadings including, but not
27 limited to, FCPA concerns generated by his affiliation with SCL, billing disputes regarding work
28 he performed in connection with the SCL initial public offering, his efforts to obtain strata-title
29 for the Four Seasons apartment hotels contingent upon SCL making payment of \$300 million
30 USD to unidentified persons in Beijing, and related matters.



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 24. **Jack Lam**
2 Jimei Group
3 Shop 19, 2/F,
4 China Hong Kong City, T.S.T.
 Hong Kong, China
 Tel : (852) 2730 2121

5 Mr. Lam is a junket operator at SCL's Plaza Casino. Mr. Lam is expected to have
6 knowledge regarding allegations contained in the pleadings including, but not limited to, his
7 dealings with Mr. Jacobs and Mr. Adelson regarding contracts at the Four Seasons Hotel in
8 Macau, the approval and licensing process for junket operators, and related matters.
9

10 25. **Cheung Chi Tai**
11 Address Unknown

12 Cheung Chi Tai was a guarantor of the Ho Won junket operating at SCL properties. He is
13 expected to have knowledge regarding allegations contained in the Pleadings including, but not
14 limited to, his relationship with LVSC/SCL executives Adelson, Goldstein, and Larry Chu, as
15 well as related matters.

16 26. **Eric Chen**
17 c/o Glaser Weil Fink Jacobs
18 Howard & Shapiro
19 3763 Howard Hughes Pkwy., Ste. 300
 Las Vegas, Nevada 89169
 Tel. 702.650.7900

20 Mr. Chen is a Vice-President of internal audit for SCL. Mr. Chen is expected to have
21 knowledge regarding allegations contained in the pleadings including, but not limited to, Mr.
22 Jacobs's job performance, amelioration of legacy issues involving blue cards, and related matters.
23

24 27. **Ian Humphries**
25 c/o Glaser Weil Fink Jacobs
26 Howard & Shapiro
 3763 Howard Hughes Pkwy., Ste. 300
 Las Vegas, Nevada 89169
 Tel. 702.650.7900



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& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Mr. Humphries is a Vice-President of construction for SCL. Mr. Humphires is expected
2 to have knowledge regarding allegations contained in the pleadings including, but not limited to,
3 contracts for Sites 5 & 6, projected budgets for Sites 5 & 6, cost overruns for Sites 5 & 6, and
4 related matters.
5

6 28. **Matthew Pryor**
7 c/o Glaser Weil Fink Jacobs
8 Howard & Shapiro
9 3763 Howard Hughes Pkwy., Ste. 300
Las Vegas, Nevada 89169
Tel. 702.650.7900

10 Mr. Pryor is a Vice-President of construction for SCL. Mr. Pryor is expected to have
11 knowledge regarding allegations contained in the pleadings including, but not limited to,
12 contracts for Sites 5 & 6, projected budgets and design specifications for Sites 5 & 6, cost
13 overruns for Sites 5 & 6, and related matters.
14

15 29. **Larry Chu**
16 c/o Holland & Hart
17 3800 Howard Hughes Pkwy., 10th Fl.
Las Vegas, Nevada 89169
Tel. 707.669.4600

18 Mr. Chu is the Senior Vice-President of international marketing for LVSC. Mr. Chu is
19 expected to have knowledge regarding allegations contained in the pleadings including, but not
20 limited to, Defendants' relationship with Cheung Chi Tai, the licensing and approval process of
21 junkets, and related matters.
22

23 30. **Guy Gethers**
24 c/o Holland & Hart
25 3800 Howard Hughes Pkwy., 10th Fl.
Las Vegas, Nevada 89169
Tel. 707.669.4600

26 Mr. Gethers is a Vice-President of international marketing for LVSC. Mr. Gethers is
27 expected to have knowledge regarding allegations contained in the pleadings including, but not
28



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700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 limited to, Defendants' relationship with Cheung Chi Tai, the licensing and approval process of
2 junkets, and related matters.

3
4 31. **Stephen Sims**
5 c/o Holland & Hart
6 3800 Howard Hughes Pkwy., 10th Fl.
7 Las Vegas, Nevada 89169
8 Tel. 707.669.4600

9 Mr. Sims is a Vice-President of international marketing for LVSC. Mr. Sims is expected
10 to have knowledge regarding allegations contained in the pleadings including, but not limited to,
11 Defendants' relationship with Cheung Chi Tai, the licensing and approval process of junkets, and
12 related matters.

13 32. **Daniel J. Briggs**
14 c/o Holland & Hart
15 3800 Howard Hughes Pkwy., 10th Fl.
16 Las Vegas, Nevada 89169
17 Tel. 707.669.4600

18 Mr. Briggs is the Vice-President of Investor Relations for LVSC. Mr. Briggs is expected
19 to have knowledge regarding allegations contained in the pleadings including, but not limited to,
20 interviews by Mr. Adelson regarding expansion into Japan, feedback on Jacobs's job performance
21 from institutional investors, and related matters.

22 33. **Abu Sahid Mohammad**
23 Address unknown
24 Kuala Lumpur, Maylasia

25 Mr. Mohammad is a premium direct player at SCL properties and is expected to have
26 knowledge regarding the services offered to VIP direct players versus those playing as part of a
27 junket.

28 34. **Tan Sri Abu/Kiki Barki**
Address unknown
Mainland China



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& WILLIAMS
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700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 Mr. Abu and Ms. Barki are premium direct players at SCL properties and are expected to
2 have knowledge regarding the services offered to VIP direct players versus those playing as part
3 of a junket.
4

5 35. **David Law**

c/o Glaser Weil Fink Jacobs
Howard & Shapiro
3763 Howard Hughes Pkwy., Ste. 300
Las Vegas, Nevada 89169
Tel. 702.650.7900

6
7
8
9 Mr. Law is an employee in the finance department of SCL. Mr. Law is expected to have
10 knowledge regarding allegations made by LVSC/SCL executives including, but not limited to, the
11 economics of junket versus direct VIP play, and related matters.

12 36. **David Sun**

c/o Glaser Weil Fink Jacobs
Howard & Shapiro
3763 Howard Hughes Pkwy., Ste. 300
Las Vegas, Nevada 89169
Tel. 702.650.7900

13
14
15
16 Mr. Sun is an employee in the finance department of SCL. Mr. Sun is expected to have
17 knowledge regarding allegations made by LVSC/SCL executives including, but not limited to, the
18 economics of junket versus direct VIP play, and related matters.

19 37. **Christine Hu**

c/o Holland & Hart
3800 Howard Hughes Pkwy., 10th Fl.
Las Vegas, Nevada 89169
Tel. 707.669.4600

20
21
22
23 Ms. Hu is believed to be an employee in the compliance department of LVSC. Ms. Hu is
24 expected to have knowledge regarding allegations contained in the pleadings including, but not
25 limited to, the junket licensing and approval process, and related matters.

26 38. **Kim McCabe**

c/o Holland & Hart
3800 Howard Hughes Pkwy., 10th Fl.
Las Vegas, Nevada 89169



1 Tel. 707.669.4600

2 Ms. McCabe is believed to be an employee in the compliance department of LVSC. Ms.
3 McCabe is expected to have knowledge regarding allegations contained in the pleadings
4 including, but not limited to, the junket licensing and approval process, and related matters.
5

6 39. **Kevin Clayton**
7 c/o Glaser Weil Fink Jacobs
8 Howard & Shapiro
9 3763 Howard Hughes Pkwy., Ste. 300
10 Las Vegas, Nevada 89169
11 Tel. 702.650.7900

12 Mr. Clayton is an executive in the marketing department of SCL. Mr. Clayton is expected
13 to have knowledge regarding allegations contained in the pleadings including, but not limited to,
14 the economics of junket versus direct VIP play, contracts with Ogilvy, marketing studies, and
15 related matters.

16 40. **John Chung**
17 c/o Glaser Weil Fink Jacobs
18 Howard & Shapiro
19 3763 Howard Hughes Pkwy., Ste. 300
20 Las Vegas, Nevada 89169
21 Tel. 702.650.7900

22 Mr. Chung is an executive in the player development department of SCL. Mr. Chung is
23 expected to have knowledge regarding allegations contained in the pleadings including, but not
24 limited to, the economics of junket versus direct VIP play and related matters.

25 41. **Philip Sanders/Ryan Caldwell/Chris Parker**
26 Waddell & Reed
27 6300 Lamar Avenue
28 Post Office Box 29217
Shawnee Mission, KS 66201-9217
Tel. 913-236-1993

The foregoing individuals are officers and/or analysts with Waddell & Reed. They are
expected to have knowledge regarding allegations contained in the pleadings including, but not



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

1 limited to, investment perspectives on SCL, Jacobs's job performance, the VIP direct play
2 strategy, Mr. Adelson's comments regarding the development of Japan, and related matters.

3
4 42. **Xiao Gang**
5 Bank of China
6 Fuxingmennei Avenue
7 Xicheng District
8 Beijing No. 1 100 818

9 The foregoing individual is the Chairman of Bank of China. He is expected to have
10 knowledge regarding allegations contained in the pleadings including, but not limited to, the
11 general financial condition of SCL, the underwriting requirements for Sites 5 & 6, Bank of
12 China's agreement to act as escrow agent for sale of the Four Seasons apartments, and related
13 matters.

14 43. **Ron Reese**
15 c/o Holland & Hart
16 3800 Howard Hughes Pkwy., 10th Fl.
17 Las Vegas, Nevada 89169
18 Tel. 707.669.4600

19 Ms. Reese is the Vice President of Public Relations for LVSC. Mr. Reese is expected to
20 have knowledge regarding allegations contained in the Pleadings including, but not limited to,
21 public comments made by Mr. Adelson in reference to Plaintiff, and related matters.

22 46. Plaintiff reserves the right to call as a witness anyone identified by any other party
23 herein.

24 45. Plaintiff reserves the right to supplement this disclosure as discovery proceeds.

25 **II. DOCUMENTS, ELECTRONICALLY STORED INFORMATION, AND**
26 **TANGIBLE THINGS**

27 The following documents are being produced herewith:

- 28 1. Agreement for Services between Venetian Macau Limited and Steve Jacobs
effective May 1, 2009 (Bates Nos. SJ000001 – SJ000003);
2. Letter of Appointment for Executive dated June 16, 2009 (Bates Nos. SJ000004 –
SJ000006);



3. Letter from Sheldon Adelson to Steve Jacobs dated 6/24/09 and attached Nonqualified Stock Option Agreement (**Bates Nos. SJ000007 – SJ000014**);
4. Side letter from Antonio Ferreira to Steve Jacobs dated July 3, 2009 (**Bates Nos. SJ000015 to SJ000016**);
5. Offer Terms and Conditions dated August 3, 2009 (**Bates Nos. SJ000017**);
6. E-mail chain between Gayle Hyman, Michael Leven, and Steve Jacobs dated August 6, 2009 (**Bates Nos. SJ000018**);
7. E-mail from Gayle Hyman to Steve Jacobs dated August 7, 2009 and attached SEC identification form (**Bates Nos. SJ000019 to SJ000024**);
8. SEC Form 3 filed September 14, 2009 (**Bates Nos. SJ000025 to SJ000027**);
9. SCL Equity Award Plan (**Bates Nos. SJ000028 to SJ000066**);
10. LVSC Proxy Statement filed April 23, 2010 (**Bates Nos. SJ000067 to SJ000131**);
11. LVSC Form 10-Q filed May 5, 2010 (**Bates Nos. SJ000132 to SJ000197**);
12. Written Resolution of SCL Remuneration Committee dated May 10, 2010 (**Bates Nos. SJ000198 to SJ000201**);
13. SCL Share Option Grant to Steve Jacobs dated July 7, 2010 (**Bates Nos. SJ000202 to SJ000209**);
14. LVSC Form 8-K dated September 14, 2010 (SCL Interim Report 2010) (**Bates Nos. SJ000210 to SJ000278**);
15. Letter from Donald J. Campbell to Gayle M. Hyman dated September 24, 2010 (**Bates Nos. SJ000279 to SJ000284**);
16. Letter from Gayle M. Hyman to Donald J. Campbell (**Bates Nos. SJ000285 to SJ000286**).

In addition to the foregoing, Plaintiff is in possession of certain electronically stored information ("ESI"). Upon execution of a mutually agreeable ESI Protocol, Plaintiff will begin producing the ESI in his possession on a rolling basis to be completed by July 1, 2011 as set forth in the parties' Joint Status Report dated April 21, 2011. Nothing in these initial disclosures is a representation that any particular document or thing is relevant to any issue in this action or that



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

any particular document or thing exists or is in Plaintiff's possession, custody and control.

Plaintiff reserves the right to supplement the foregoing initial disclosures as discovery continues. Plaintiff also reserves the right to use any documents, ESI, or tangible things produced by any other party herein.

III. COMPUTATION OF CATEGORIES OF DAMAGES

Pursuant to NRCP 16.1(a)(1)(C), Plaintiff hereby advises that he has incurred the following damages:

One time fee for relocating to Hong Kong (never paid)	\$ 10,000
Unused PTO	\$ TBD
July 2010 Housing Allowance (never paid)	\$ 12,000
Repatriation Flights (never paid) ¹	\$ 14,284
Container (never paid) ²	\$ 10,000
Prorated Bonus 2010	\$ 379,166
One-Year Severance	\$ <u>1,950,000</u>

Sub-Total \$ 2,375,990

Accelerated vest and right to exercise for 1 year:

- LVSC:	52,000 shares; \$7.73 (strike price)	
	\$55.47 (exercise price) ³	\$ 2,482,480

¹ Plaintiff is searching for the receipts for his return air travel to the United States after his termination, and will produce copies as soon as he locates the same. The figure included above represents Plaintiff's best estimate of the amount. Plaintiff will supplement this disclosure to provide the exact amount.

² Plaintiff is searching for the receipts for the container required to move his belongings back to the United States after his termination, and will produce copies as soon as he locates the same. The figure included above represents Plaintiff's best estimate of the amount. Plaintiff will supplement this disclosure to provide the exact amount.

³ Plaintiff's Term Sheet provides him with one-year from the date of his termination (*i.e.*, July 23, 2010) to exercise his stock options. Where an employer breaches a stock option agreement by failing to permit the optionee to purchase stock, the optionee is entitled to damages based on the difference between the option price and the highest intermediate market price between the date of breach and a reasonable time thereafter. *See, e.g., Rauser v. LTV Electrosystems*, 437 F.2d 800, 803-04 (7th Cir. 1971). Accordingly, Plaintiff has used the highest markets prices for LVSC and SCL stock since the date of his termination when calculating his damages for purposes of these disclosures. Given that Plaintiff would have had until July 23, 2011 to exercise his options but for LVSC's and SCL's wrongful conduct, he reserves the right to



1
2 LVSC: 250,000 shares; \$11.13 (strike price)
\$55.47 (exercise price) \$11,085,000

3 Sub-Total \$13,567,480

4
5 SCL: 2,500,000 shares; \$11.83 HKD (strike price)
\$23.50 HKD (exercise price) \$29,175,000

6 Sub -Total Convert HKD to USD (divide by 7.8) \$ 3,740,384

7 Total \$19,683,854

8
9 These computations are based on documents being produced herewith as Bates Nos.
10 SJ000001 – SJ000286 as well as publicly available information memorializing the historical
11 activity of the stock prices for LVSC and SCL since the date of Plaintiff's wrongful termination
12 through the present. Plaintiff is seeking additional damages for tortious discharge in violation of
13 public policy and defamation including, but not limited to, injury to his reputation, punitive
14 damages, attorney's fees, and costs all according to proof at trial. Plaintiff reserves the right to
15 supplement this disclosure as discovery continues.
16

17 IV. INSURANCE AGREEMENTS

18 Not applicable.

19 DATED this 16th day of May, 2011.

20 CAMPBELL & WILLIAMS

21 By /s/ J. Colby Williams

22 DONALD J. CAMPBELL, ESQ. (#1216)

23 J. COLBY WILLIAMS, ESQ. (#5549)

24 700 South Seventh Street

Las Vegas, Nevada 89101

Telephone: (702) 382-5222

Facsimile: (702) 382-0540

26 Attorneys for Plaintiff

27 Steven C. Jacobs

28 supplement this disclosure to account for any increases in LVSC and SCL stock prior to that
deadline.



1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on this 16th day of May, 2011, I served via e-mail and U.S. Mail, first
3 class postage pre-paid, a true and correct copy of the foregoing **Plaintiff's Initial Disclosures** to the
4 following counsel of record:
5

6 Glaser Weil Fink Jacobs Howard Avchen & Shapiro, LLP
7 Patricia Glaser, Esq.
8 Mark G. Krum, Esq.
9 3763 Howard Hughes Parkway, Suite 300
10 Las Vegas, NV 89169
11 E-Mail: pglasser@glaserweil.com
12 mkrum@glaserweil.com

13 *Attorneys for Defendant Sands China Ltd.*

14 Holland & Hart, LLP
15 J. Stephen Peek, Esq.
16 Justin C. Jones, Esq.
17 3800 Howard Hughes Parkway, 10th Fl.
18 Las Vegas, NV 89169
19 E-Mail: speek@hollandhart.com
20 jcjones@hollandhart.com

21 *Attorneys for Defendant Las Vegas Sands Corp.*

22 Steve Morris, Esq.
23 Morris Peterson
24 300 South Fourth Street, #900
25 Las Vegas, Nevada 89169
26 E-Mail: SM@morrislawgroup.com

27 *Attorneys for Sheldon G. Adelson*

28 s/Lucinda Martinez



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

Justin Jones

From: Colby Williams [cww@campbellandwilliams.com]
Sent: Friday, July 08, 2011 4:30 PM
To: Justin Jones; Stephen Ma
Subject: Document Production

Dear Justin/Steve,

As we approach the end of the week, I thought it would be a good idea to update you on the status of our document production. As you know, I have been out of the office all week on vacation but have, nevertheless, been dealing with various work matters including the Jacobs document production.

Steve electronically transferred to our office a significant number of e-mail communications he received during his tenure with Defendants. That file transfer was completed last weekend after I left for vacation. I believe the amount of material constitutes approximately 11 gigs. In addition, Steve has sent us hard copies of various documents that also arrived at our office this week. I have not reviewed those documents and do not yet know the amount of material contained therein.

In anticipation of Bates Stamping and producing these documents to Defendants, I wanted to address a couple of issues.

First, as it relates to the production of communications that Steve may have had with Macau residents, we believe we are authorized to produce those documents to you despite any potential application of the Macau Data Privacy Act. Our basis for that conclusion is that Steve is a U.S. Citizen, he resides in and is located in the U.S. presently, the information is located in the U.S., and the documents are being produced pursuant to the rules governing procedures in a U.S. lawsuit. Given that the Privacy Act permits the "processing" of personal information to effectuate "compliance with a legal obligation to which the controller is subject" see, Art. 6, § (2), it appears to us that all parties in the litigation would be authorized to produce documents therein. Nonetheless, since Defendants have raised the issue, we would like to include a provision in the SPO to be submitted to the Court whereby Judge Gonzalez confirms that the Macau Data Privacy Act does not provide a basis for withholding documents in this litigation at least insofar as Steve's production is concerned. With respect to whether the act has any impact on Defendants' production, the parties can debate that issue at a later date if it becomes necessary.

Second, in beginning our review of the e-mails, it appears that Steve was the recipient of a number of e-mails from various attorneys employed by LVSC and SCL during the normal course and scope of his duties with Defendants. While we are certainly entitled to e-mails from attorneys that were sent to Steve during his tenure that are relevant to the claims/defenses in the litigation, we likewise recognize that there may be a number of e-mails from attorneys to Steve that are likely not relevant to this action. Frankly, we have neither the time nor interest to review any attorney authored e-mails that are irrelevant to this action. Thus, after initially reviewing a small portion of the material transferred by Steve in order to determine what it comprises, we have stopped the review process so that we may address this issue with you before discovery begins.

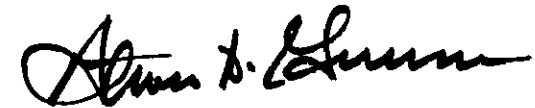
We propose the following: We send the material to our third-party ESI vendor for Bates Stamping. We will then produce all of the documents to you (less any documents for which Steve maintains a privilege, which will be identified in an appropriate log). Defendants will then have a certain amount of time (to be agreed upon by the parties) to advise us as to their position as to the relevance/irrelevance of the attorney-authored communications to Steve and whether any should be withheld and logged by Defendants. In the meantime, we will simply continue the suspension of any review of additional emails between Steve and company lawyers. By engaging in this proposed process, we are, of course, not waiving our right to contest Defendants' positions on relevance and/or the application of any privileges, all of which are expressly reserved.

Please let me know your thoughts about our proposals on these two issues so that we may commence with discovery.
I'll be back in the office on Monday and we can talk then.

Have a good weekend.

Regards,
Colby

J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, Nevada 89107
Tel. 702.382.5222
Fax. 702.382.0540
email jcw@campbellandwilliams.com



CLERK OF THE COURT

MCOM
J. Stephen Peek, Esq.
Nevada Bar No. 1759
Justin C. Jones, Esq.
Nevada Bar No. 8519
Brian G. Anderson, Esq.
Nevada Bar No. 10500
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
(702) 669-4600
(702) 669-4650 – fax
speek@hollandhart.com
icjones@hollandhart.com
bganderson@hollandhart.com

Attorneys for Las Vegas Sands Corp.

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

LAS VEGAS SANDS CORP., a Nevada
corporation; SANDS CHINA LTD., a Cayman
Islands corporation; SHELDON G. ADELSON,
in his individual and representative capacity;
DOES I-X; and ROE CORPORATIONS I-X,

Defendants.

CASE NO.: A627691-B
DEPT NO.: XI

Date:
Time:

**LAS VEGAS SANDS CORP.'S MOTION
TO COMPEL RETURN OF STOLEN
DOCUMENTS PURSUANT TO MACAU
PERSONAL DATA PROTECTION ACT**

LAS VEGAS SANDS CORP., a Nevada
corporation,

Counterclaimant,

v.

STEVEN C. JACOBS,

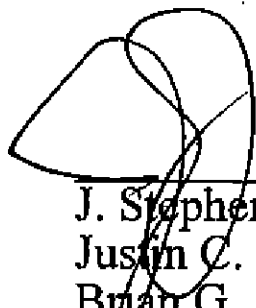
Counterdefendant.

Las Vegas Sands Corp. ("LVSC") hereby brings the following Motion to Compel Return of Stolen Documents. This Motion is made pursuant to the Macau Personal Data Protection Act and is based upon the attached memorandum of points and authorities, the papers and pleadings

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

1 on file in this matter, and any oral argument that the Court may allow.

2 DATED September 13, 2011.

3
4 
J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

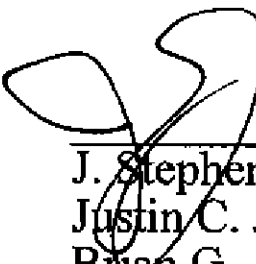
7 *Attorneys for Las Vegas Sands Corp.*

9 **NOTICE OF MOTION**

10 TO: ALL INTERESTED PARTIES AND THEIR COUNSEL OF RECORD

11 YOU, and each of you, will please take notice that the undersigned will bring the above
12 and foregoing **LAS VEGAS SANDS CORP.'S MOTION TO COMPEL RETURN OF**
13 **STOLEN DOCUMENTS PURSUANT TO MACAU PERSONAL DATA PROTECTION**
14 **ACT** on for hearing before the above-entitled Court on the 18 day of October, 2011, at
15 9:00 AM a.m. of said day in Department XI of said Court.

16 DATED September 13, 2011.

17
18 
J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

21 *Attorneys for Las Vegas Sands Corp.*

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I.**

3 **INTRODUCTION**

4 For some time, LVSC suspected that Plaintiff Steve Jacobs ("Jacobs") had stolen sensitive
5 and/or privileged company documents from LVSC and its indirect subsidiaries Sands China Ltd.
6 ("SCL") and Venetian Macau Limited ("VML"). LVSC's suspicions were born out recently
7 when Plaintiff's counsel revealed and explicitly admitted that Jacobs had in his possession
8 approximately eleven gigabytes of documents taken from LVSC, SCL and/or VML, including
9 documents that Jacobs admitted were subject to the attorney-client privilege and should properly
10 be returned to LVSC. LVSC immediately demanded that Jacobs return the documents stolen by
11 Jacobs; however, after initially agreeing to produce certain potentially privileged documents,
12 Jacobs now refuses to return any documents to LVSC. Despite good faith attempts to meet and
13 confer with opposing counsel, LVSC has no choice but to bring the instant motion to compel
14 Jacobs to return stolen company documents. Jacobs refusal to return stolen company documents
15 exposes LVSC and its indirect subsidiaries, SCL and VML to possible criminal action in Macau
16 for potential violation of the Macau Personal Data Protection Act ("Macau Act"). It is critical
17 that Jacobs be immediately compelled to return all stolen company documents so that LVSC can
18 determine whether any of the documents are subject to the Macau Act. Accordingly, LVSC
19 respectfully requests that the Court grant its Motion to Compel.

20 **II.**

21 **STATEMENT OF FACTS**

22 In or about March 2009, Vagus Group, Inc. ("Vagus") and LVSC entered into a consulting
23 agreement (the "Vagus Consulting Agreement") with Vagus to provide certain management and
24 consulting services to LVSC. A true and correct copy of the Vagus Consulting Agreement is
25 attached hereto as **Exhibit "A."** The Vagus Consulting Agreement was authored by and executed
26 by Jacobs. *Id.* Pursuant to the Vagus Consulting Agreement, Vagus acknowledged the
27 confidential and highly sensitive nature of information and documents that it would be privy to
28 under the Agreement. Specifically, the Vagus Consulting Agreement states:

Confidentiality

VGI understands that certain information received by and/or made available through LVS and/or its vendors, consultants and advisors is confidential and proprietary and may be restricted due to LVS public company status. VGI agrees that it will not disclose or use, and shall diligently protect and keep confidential all sensitive information received as part of or related to this project. All members of the VGI team assigned to LVS will execute and deliver any standard confidentiality / non-disclosure agreements as requested. This confidentiality provision shall survive the expiration and/or the termination of this agreement

Id. During the course and scope of the Vagus Consulting Agreement, Vagus and Jacobs obtained documents and information that are confidential, proprietary and/or subject to the attorney-client privilege and/or work product doctrine. *See* Declaration of Kenneth J. Kay, attached hereto as **Exhibit "B."** In addition, as the former CEO of SCL, an indirect majority-owned subsidiary of LVSC, and its subsidiary, VML, Jacobs obtained additional documents and information from LVSC that are confidential, proprietary and/or subject to the attorney-client privilege and/or work product doctrine. *Id.*

After litigation commenced in this matter, Jacobs was asked by SCL's counsel to return all company property. *See, e.g.,* November 23, 2010 Letter, attached hereto as **Exhibit "C;"** January 7, 2011 Letter, attached hereto as **Exhibit "D."** Jacobs, however, claimed that he had not stolen any documents. *See, e.g.,* November 30, 2010 Letter, attached hereto as **Exhibit "E."**

However, contrary to Jacobs' prior statements, Jacobs' counsel recently revealed that Jacobs was in possession of approximately 11 gigabytes of documents, which includes (as admitted by Jacobs' own counsel) documents containing attorney-client communications between LVSC and its counsel. *See* July 8, 2011 Email, attached hereto as **Exhibit "F."** In response to this revelation, LVSC demanded that Jacobs immediately return all such documents. *See* Declaration of Justin C. Jones, attached hereto as **Exhibit "G."** However, to date, Jacobs has failed and refused to return company documents to LVSC.

On August 1, 2011, the parties conducted further meet and confer discussions telephonically regarding return of company documents in Jacobs' possession. During the telephone conference, Jacobs' counsel represented that:

1. Jacobs and his counsel are in possession of documents which Jacobs acquired

1 during the course of his employment.

2 2. These documents include material that may be subject to the attorney-client
3 privilege.

4 3. Jacobs does not believe that he is bound to keep confidential those documents
5 obtained during the course of his employment because he asserts that he did not
6 sign any confidentiality policy or other document containing a confidentiality
7 provision.

8 4. Jacobs believes that Macau data privacy laws do not prohibit him from disclosing
9 documents in this matter and that Macau data privacy laws are being used by
10 Defendants as a "farcical canard" to avoid disclosure of documents.

11 5. Based upon the foregoing, Jacobs refused to comply with the request for return of
12 documents obtained during the course of his employment and would not commit
13 that he has not or will not provide such documents to third parties.

14 *See* Jones Decl., Ex. D; *see also* August 2, 2011 Letter, attached hereto as **Exhibit "H."** In
15 subsequent correspondence, Jacobs' counsel confirmed that Jacobs "is *unable* to 'return' the
16 documents to Defendants," and Jacobs' attorneys have agreed to cease their review and/or
17 production of the documents until the matter is resolved by the Court. *See* letter from J. Colby
18 Williams to Justin C. Jones dated August 3, 2011 attached hereto as **Exhibit "I."**

19 **III.**

20 **LEGAL ARGUMENT**

21 The Macau Act governs "retrieval, consultation, use, disclosure by transmission,
22 dissemination or otherwise making available" personal information. *See* Art. 4, Sec. 1(3) of the
23 Macau Act, a copy and translation of which are attached hereto as **Exhibit "J."** "Personal data"
24 is interpreted very broadly to include:

25 any information of any type . . . relating to an identified or identifiable natural
26 person ("data subject"); an identifiable person is one who can be identified,
27 directly or indirectly, in particular by reference to an indication number or to one
or more factors specific to his physical, physiological, mental, economic, cultural
or social identity.

28 *Id.* at Art. 4, Sec. 1(1). Pursuant to the Macau Act, personal data may not be transferred outside

1 of Macau except with unambiguous written consent of the data subject and provided the legal
2 system in the destination to which they are transferred ensures an adequate level of protection,
3 except in other limited circumstances that do not apply here. *Id.* at Art. 6, 19. Anyone who
4 violates the Macau Act “shall be liable to up to one year’s imprisonment or a fine of up to 120
5 days.” *Id.* at Art. 37.

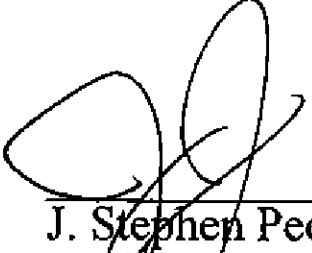
6 Here, LVSC has serious concerns that Jacobs will disclose company documents that
7 contain personal data in violation of Macau law. The Macau Act provides for serious sanctions in
8 such circumstances, sanctions which could potentially be levied against LVSC and/or its indirect
9 subsidiaries, SCL and VML. Any such sanctions could be financially devastating to LVSC, as a
10 substantial portion of LVSC’s revenue is derived from its ownership interest in SCL. The
11 appropriate manner to address this issue is for Jacobs to return stolen company documents to
12 LVSC and, if necessary, LVSC will then review the documents in Macau to determine if they
13 contain personal data. Accordingly, LVSC requests that the Court immediately compel Jacobs to
14 produce all stolen company documents.

15 IV.

16 CONCLUSION

17 For the foregoing reasons, LVSC hereby requests that the Court grant its Motion to
18 Compel Return of Stolen Documents and thereby compel Jacobs to return all company documents
19 in his possession to LVSC.

20 DATED September 13, 2011.

21 
22 J. Stephen Peek, Esq.
23 Justin C. Jones, Esq.
24 Brian G. Anderson, Esq.
25 Holland & Hart LLP
26 9555 Hillwood Drive, 2nd Floor
27 Las Vegas, Nevada 89134

28 *Attorneys for Las Vegas Sands Corp.*

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I certify that on September 13, 2011, I served a true and correct copy of the foregoing **LAS VEGAS SANDS CORP.'S MOTION TO COMPEL RETURN OF STOLEN DOCUMENTS PURSUANT TO MACAU PERSONAL DATA PROTECTION ACT** via e-mail and by depositing same in the United States mail, first class postage fully prepaid to the persons and addresses listed below:

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 S. 7th Street
Las Vegas, Nevada 89101
382-5222
382-0540 – fax
djc@campbellandwilliams.com
jcw@campbellandwilliams.com

Attorneys for Plaintiff

Patricia Glaser, Esq.
Stephen Ma, Esq.
Andrew D. Sedlock, Esq.
Glaser, Weil, et., al.
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169
650-7900
650-7950 – fax
pglaser@glaserweil.com
sma@glaserweil.com
asedlock@glaserweil.com

Attorneys for Defendant Sands China Ltd.


An Employee of Holland & Hart LLP

Dineen Bergsing

From: Dineen Bergsing
Sent: Tuesday, September 13, 2011 6:16 PM
To: Donald Campbell; 'Colby Williams'; 'Patricia Glaser'; 'Stephen Ma'; 'Andrew Sedlock'
Subject: LV Sands/Jacobs - LV Sands' Motion to Compel Return of Stolen Documents Pursuant to Macau Personal Data Protection Act
Attachments: Las Vegas Ikon - 09-13-11 - FKQTE7G.pdf; image001.gif

Please see attached LV Sands' Motion to Compel Return of Stolen Documents Pursuant to Macau Personal Data Protection Act. A copy to follow by mail.

Dineen M. Bergsing

*Legal Assistant to J. Stephen Peek,
Justin C. Jones and David J. Freeman*
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
(702) 669-4600 - Main
(702) 222-2521 - Direct
(702) 669-4650 - Fax
dbergsing@hollandhart.com



CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this e-mail. Thank you.

EXHIBIT A

VGI

*To Helen Riley
FOR SGA
702-733
5620*

March 14, 2009

Mike Leven
President and COO
Las Vegas Sands Corporation
3355 Las Vegas Boulevard South
Las Vegas, NV 89109

Dear Mike:

Thank you for the opportunity to assist you in implementing the cost reduction and turn around plan for Las Vegas Sands. Expectations for your two year appointment are high and the challenges are great. Analysts call for the economic recovery to be delayed until mid to late 2010, and inflation due excess liquidity is likely to follow. Economic havens, including China, are down grading their outlook. And pending legislation, including the card program, could significantly impact business. That being said, the global economy will recover, and those companies that focus on what they can control – costs, capital and debt – will emerge stronger and in a more sustainable position.

As you well know, your first 180 days are critical to establishing the pace, direction and, most importantly, the culture you intend to leave behind. Having worked with you on numerous occasions, we are well aware of the signature you leave and the culture you instill. Our goal is to help you accelerate the leadership transition and to assist you in realizing the \$470M of identified savings... as well as any additional savings that may yet be undiscovered.

I am planning on joining you April 1, and as requested, I have cleared my calendar for the next six months. Following is a high level overview of our assignment. Additional detail and specific focus areas will be further delineated after our first two to three weeks onsite.

As always, should you wish to discuss or amend any items, please do not hesitate to call.

Scope

Based on our discussions, our efforts will be focused in three primary and overlapping areas.

1. Accelerating the Leadership Transition and the New Management Culture

I will work, at your direction, to help you develop and launch your "Go Forward" transition plan which will prioritize objectives and guide managements' time and expenditures over the next 60, 90 and 180 days. Success requires that the right critical issues be identified early and that effort towards non-critical path items are curtailed or eliminated. Early wins provide momentum and as the transition is to be multi-phased, a portfolio approach will minimize distractions due to non-identified issues or delays.

Once a short list has been agreed, we can then begin molding the organization and support systems to accelerate performance. If done properly, the transition plan can also serve as an internal and external scorecard for the organization and its management.

Anticipated work steps include:

- Review debt covenants, work papers and presentations detailing key operational, financial and strategic imperatives
- Review 2009 operating plans, budgets
- Review pre-opening and opening plans and budgets for Bethlehem and Singapore
- Analyze 2009 and out year capital expense, including repair and maintenance (R&M)
- Assimilate project updates and major milestones regarding major projects
- Compile and assess internal management reports to identify tracking capabilities and alignment with strategic / operational objectives
- Review and, as directed, revise / propose near term policies and procedures to conserve capital and minimize expense. This may include areas such as:
 - Project capital expenditure
 - R&M authorization
 - New hires, transfers and use of temporary labor
 - Travel and entertainment policies
 - Third party contracting
 - Telecommunications
 - Purchasing / spending authorization limits
- In conjunction with the President and COO revise the transition plan including:
 - Priority focus areas for each functional and geographic group
 - Key initiatives within each functional and geographic area
 - Key success factors and metrics by which success will be judged
- Review and incorporate senior management input regarding timing, staffing and resource requirements relating to implementation of the plan
- Review and revise, as necessary, tracking and reporting to ensure visibility and real time monitoring of progress. Note: This may or may not include an intranet dashboard.

- Publish and distribute the plan as directed. In past assignments, the document has been the basis for board and executive committee review. In others, the plan has been summarized and a one page “Go Forward Plan” has been distributed to the employee base at large and used as the foundation communications during the transition process.

2. Reducing Run Rate Operating Costs

LVS senior management has identified over \$470M in run rate savings, the majority of which appear to be tied to salary, wages and benefits. Working in conjunction with your cost reduction team, we will manage the implementation to ensure rapid and cost effective reductions in both the U.S. and Asian operations. It is understood and agreed that I will be working closely with Ken and select staff and that you will have day to day involvement and oversight into all aspects of our work.

Major works steps anticipated include:

- Review existing plans relating to organizational savings and impacts to cost and revenue centers
- Analyze existing corporate, entity and departmental organizations to assess spans of control, reporting hierarchies and potential areas for consolidation
- Review recently conducted activity value analysis to assess functional efficiency, opportunities for re-engineering and impacts of proposed restructuring on up or down stream linked activities
- Compile existing labor and load management practices related to scheduling variable labor (e.g. f&b staff to covers, dealers to tables, etc.)
- Conduct review sessions to prioritize and sequence proposed changes.
- Agree to change management procedures
- Propose and agree on new processes for approvals / authorization
- Identify and assign contractual and / or governmentally required notification processes and procedures
- Identify and retain key performers
- Perform risk assessment of critical path functions and operations to ensure continuity of operations throughout the down sizing
- Develop back-up and contingency plans for critical path processes (financial reporting, systems, gaming maintenance, etc.) and customer, labor and press related functions
- Develop pre, post and announcement day implementation plans. Note: Savings tied to “early wins” may favor multiple announcements at the departmental and entity level verses a one time company wide event.
- Build and maintain the war room. Note: May or may not be online.
- Participate in the announcements as required
- Coordinate reporting and tracking of reorganization progress
- Coordinate tracking of actual to run rate forecasted savings

- Participate in audits / read outs of audits of new process and procedures to ensure realization of headcount, capital and expense reductions
- Troubleshoot post reorganization procedures, processes and operations to minimize operational disruption

3. Identifying and Capturing Additional Savings

On an as agreed basis, we will prioritize and review additional functions and / or areas of operations that you believe hold additional opportunities for re-engineering and / or optimization. While the target list has not yet been identified, it is anticipated to include at least one or two major functional processes and / or groups for which a detailed analysis has been performed. This may include areas relating to back of house operations, information technology, call center operations and / or food and beverage. The methodology and approach will be appropriate to reflect the work done to date. Should a full analysis / due diligence materially increase scope, in keeping with our past assignments and our relationship, VGI and LVS will discuss scope and fees.

Timing, Staffing and Fees

Given the importance of your first 180 days, I will assume overall project responsibility and will become a dedicated resource for you and your team for the six month duration of this assignment. As requested, my CV is attached. Leanne Murdoch, Chris Tessone and/or other VGI associates will be used on an as needed basis. We are prepared to commence work April 1, 2009.

Professional service fees for this assignment will be \$52k per month. Travel and out of pocket expenses will be billed at cost and will include, but is not limited to, items such as airfare, food, lodging, telecommunications and supplies. Invoices are due and payable on the first of each month and sent to:

Vagus Group, Inc.
979 Valley Crest Drive
Atlanta, Ga 30327

To minimize costs, I will travel with you from Atlanta to LV and China as schedules and deliverables allow. It is anticipated that we will be onsite Monday through Friday each week and that lodging will be provided.

Term and Termination Provisions

The term of this contract will be six months, commencing April 1 and ending September 30, 2009, unless mutually extended by both parties. In keeping with our long standing relationship, should any material changes in scope necessitate an increase or reduction in fees, they will be openly discussed, mutually and reasonably agreed.

This agreement can be cancelled at any time by LVS with 60 days written notice. Should LVS choose to cancel this agreement prior to the end of the contract without cause, fees and expenses would be due and payable through the last day of the notice period.

VGI agrees to accept and perform this assignment on a “best efforts” basis. Should VGI fail to meet its obligations, LVS agrees to notify VGI in writing of any and all deficiencies. Should said deficiencies not be corrected within 30 calendar days to LVS’ reasonable satisfaction, LVS will have the right to terminate VGI services for cause. Should this occur, all fees and expenses will be due and payable through the last day worked.

Indemnification

Each party agrees to indemnify, defend and hold harmless the other party, its officers, directors and employees and each of its parent and subsidiaries and each of their respective officers, directors and employees against all out of pocket losses actually incurred as a result of gross negligence or willful misconduct of the indemnifying party or its agents or employees in connection with the terms of this agreement. This indemnification provision shall survive the expiration of this agreement. Except in the case of its gross negligence or willful misconduct, it is understood and agreed that VGI’s total liability irrespective of cause, event, actual or perceived damage amounts will be limited to the Professional Service Fees paid.

Confidentiality

VGI understands that certain information received by and/or made available through LVS and/or its vendors, consultants and advisors is confidential and proprietary and may be restricted due to LVS public company status. VGI agrees that it will not disclose or use, and shall diligently protect and keep confidential all sensitive information received as part of or related to this project. All members of the VGI team assigned to LVS will execute and deliver any standard confidentiality / non disclosure agreements as requested. This confidentiality provision shall survive the expiration and/or the termination of this agreement and will in accordance with any governmental and or SEC restrictions.

Dispute Resolution

In the unlikely event that any dispute related to this project should arise between the parties, the prevailing party shall be entitled to an award of its reasonable attorneys’ fees and out of pocket expenses actually incurred. All work will be performed on a “best efforts” basis and LVS hereby agrees not to withhold to VGI the necessary information, approvals, support, authority, funding, reimbursement and resources necessary to accomplish the tasks contemplated under this proposal.

Acceptance

On behalf of VGI, we look forward to working with you and your team to transform LVS. We are confident that our efforts within the first 90 - 120 days will be significant and within 180 days the culture, cost basis and focus of both your North American and Asian operations will be greatly improved. By this time next year, we expect substantial and fundamental change.

To authorize VGI to begin work, please sign below and return an original copy to my attention.

Very Truly Yours,

VAGUS GROUP, INC.

Authorization Signature

Las Vegas Sands Corp.

By: **Steven C. Jacobs**
President

By: **Mike Leven** **Date**
President and COO

EXHIBIT B

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EXHIBIT C

**Glaser Weil Fink Jacobs
Howard & Shapiro LLP**

10250 Constellation Blvd.
10th Floor
Los Angeles, CA 90067
310.553.3000 TEL
310.556.2820 FAX

November 23, 2010

Direct Dial
(310) 282-8217
Email
Pglaser@glaserwell.com

VIA FACSIMILE TRANSMISSION AND U.S. MAIL

Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

Re: Las Vegas Sands Corp., et al. adv. Jacobs

Dear Mr. Campbell:

This law firm represents Sands China Ltd. together with its subsidiaries (the "Company"). While we will be responding in due course to what we believe, to be kind, an ill-advised complaint filed in the above referenced matter, we address here a matter of immediate concern to our client. We have reason to believe, based on conversations with existing and former employees and consultants for the Company, that Mr. Jacobs has stolen Company property including but not limited to three reports he, while working for the Company, received from Mr. Steve Vickers of International Risk Ltd.

We urge Mr. Jacobs to avoid the "I don't know what you're talking about" charade and return such reports (and any copies thereof) of which most if not all, have been watermarked. Of course, to the extent he has other Company property, such property must also be returned immediately. If we do not receive the reports within the next five (5) business days, we will be forced to seek Court intervention either in Las Vegas or Macau.

On a related matter, we hereby demand and advise Mr. Jacobs (and any consulting company with which he is or was associated) to retain all of his/their files and his wife's files related to the Company and Las Vegas Sands Corp. Also, we remind Mr. Jacobs and his wife to preserve (a) all electronic mail and information about electronic mail (including message contents, header information, and logs of electronic mail system usage including both personal and business electronic mail accounts; (b) all databases (including all records and fields and structural information in such databases); (c) all logs of activity on computer systems that may have been used to process or store electronic data; (d) all word processing files and file.

Donald Campbell, Esq.
Campbell & Williams
November 23, 2010
Page 2

fragments; and (e) all other electronic data in each case relating to the Company or Las Vegas Sands Corp.

To minimize the risk of spoliation of relevant electronic documents, Mr. Jacobs (and any consulting company with which he is or was associated) and his wife should not modify or delete any electronic data files relating to the Company or Las Vegas Sands Corp. that are maintained on on-line storage and/or direct access storage devices unless a true and correct copy of each such electronic data file has been made and steps taken to ensure that such copy will be preserved and accessible.

Obviously, no one should alter or erase such electronic data and should not perform any other procedures (such as data compression and disc de-fragmentation or optimization routines) that may impact such data on any stand-alone computers and/or network workstations unless a true and correct copy has been made of such active files and of completely restored versions of such deleted electronic files and fragments and unless copies have been made of all directory listings (including hidden files) for all directories and subdirectories containing such files, and unless arrangements have been made to preserve copies.

Finally, any and all steps necessary to preserve relevant evidence created subsequent to this letter should be taken.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,



Patricia Glaser
of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

PLG:jam

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APP000071

EXHIBIT D

**Glaser Weil Fink Jacobs
Howard Avchen & Shapiro LLP**

3763 Howard Hughes Parkway
10250 Constellation Blvd.
19th Floor
Los Angeles, CA 90067
310.553.3000 TEL
310.556.2920 FAX

Direct Dial
(310) 282-6217
Email
Pglaser@glaserwall.com

January 7, 2011

VIA FACSIMILE TRANSMISSION AND U.S. MAIL

Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

Re: Las Vegas Sands Corp., et al. adv. Jacobs
Clark County District Court Case No.: A10-627691

Dear Mr. Campbell:

This letter follows up on our letter of December 13, 2010. Since that letter, we received a UPS package which enclosed what appear to be original reports concerning Macau officials and Mr. Cheung Chi Tai, but which included no cover letter nor the Heung Wah Keong report.

As we said in our letter of December 13, 2010, and as we communicated to you previously, we expect Mr. Jacobs to return to us all original reports, as well as any copies. We therefore reiterate our prior requests that all original reports of the type about which we have corresponded be returned to us, that all copies be returned to us or destroyed and that you confirm in writing that these steps have been completed. Finally, we reiterate our original request that Mr. Jacobs return any other property of Sands China Ltd. or its subsidiaries that he now possesses.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,



Patricia Glaser
of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

PLG:dd

 MERITAS LAW FIRMS WORLDWIDE

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EXHIBIT E



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

VIA FACSIMILE

November 30, 2010

Patricia Glaser, Esq.
Glaser Weil Pink Jacobs
Howard & Shapiro
10250 Constellation Blvd.
Los Angeles, California 90067

Re: *Jacobs v. Las Vegas Sands Corp., et al.*

Dear Ms. Glaser:

We are in receipt of your letter dated November 23, 2010, which was received shortly before the Thanksgiving Holiday. Before turning to the substance contained therein, let me begin by stating "nice to meet you, too."

Moving on . . . please be advised that my firm and I have been consumed in another piece of commercial litigation that has been proceeding on an expedited basis with a myriad of court hearings and deadlines throughout the month of November and continuing into December. You may confirm the existence and breakneck pace of the litigation about which I speak with your local counsel, Stephen Peek and Justin Jones, as they represent one of the parties in the action. As such, I have not had an opportunity to address the contents of your letter with my client, Mr. Jacobs. I do, however, anticipate being able to discuss this matter with him in detail early next week.

Meanwhile, you may assist us in avoiding your self-coined "'I don't know what you're talking about' charade" by describing in more detail the "three reports" referenced in your letter. It has been our experience that wrongfully terminated corporate executives are often—and properly—in possession of a multitude of documents received during the ordinary course of their employment. Contrary to the allegations contained in your letter, that does not mean the documents were "stolen." Thus, in order to determine whether Mr. Jacobs possesses the reports you want "returned immediately," it would help to know exactly what you are talking about.

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-6828
FAX: 702/382-0540

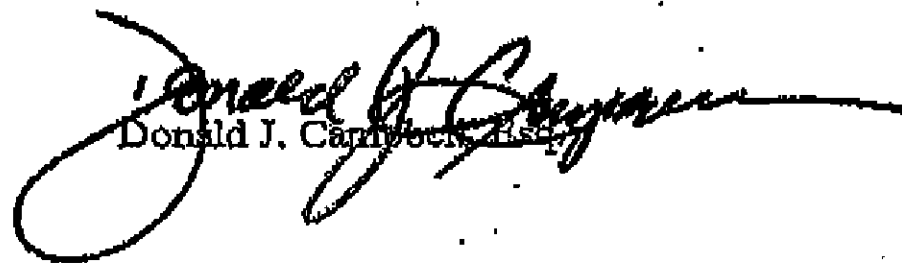
Patricia Glaser, Esq.
November 30, 2010
Page 2

Finally, insofar as Mr. Jacobs is in possession of any other documents or evidence related to Sands China, Ltd. and Las Vegas Sands, Corp. we have previously instructed him, as we instruct any client, to preserve all such materials in whatever form they exist.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,

CAMPBELL & WILLIAMS


Donald J. Campbell, Esq.

DJC:mp

EXHIBIT F

Justin Jones

From: Colby Williams [jcw@campbellandwilliams.com]
Sent: Friday, July 08, 2011 4:30 PM
To: Justin Jones; Stephen Ma
Subject: Document Production

Dear Justin/Steve,

As we approach the end of the week, I thought it would be a good idea to update you on the status of our document production. As you know, I have been out of the office all week on vacation but have, nevertheless, been dealing with various work matters including the Jacobs document production.

Steve electronically transferred to our office a significant number of e-mail communications he received during his tenure with Defendants. That file transfer was completed last weekend after I left for vacation. I believe the amount of material constitutes approximately 11 gigs. In addition, Steve has sent us hard copies of various documents that also arrived at our office this week. I have not reviewed those documents and do not yet know the amount of material contained therein.

In anticipation of Bates Stamping and producing these documents to Defendants, I wanted to address a couple of issues.

First, as it relates to the production of communications that Steve may have had with Macau residents, we believe we are authorized to produce those documents to you despite any potential application of the Macau Data Privacy Act. Our basis for that conclusion is that Steve is a U.S. Citizen, he resides in and is located in the U.S. presently, the information is located in the U.S., and the documents are being produced pursuant to the rules governing procedures in a U.S. lawsuit. Given that the Privacy Act permits the "processing" of personal information to effectuate "compliance with a legal obligation to which the controller is subject" *see*, Art. 6, § (2), it appears to us that all parties in the litigation would be authorized to produce documents therein. Nonetheless, since Defendants have raised the issue, we would like to include a provision in the SPO to be submitted to the Court whereby Judge Gonzalez confirms that the Macau Data Privacy Act does not provide a basis for withholding documents in this litigation at least insofar as Steve's production is concerned. With respect to whether the act has any impact on Defendants' production, the parties can debate that issue at a later date if it becomes necessary.

Second, in beginning our review of the e-mails, it appears that Steve was the recipient of a number of e-mails from various attorneys employed by LVSC and SCL during the normal course and scope of his duties with Defendants. While we are certainly entitled to e-mails from attorneys that were sent to Steve during his tenure that are relevant to the claims/defenses in the litigation, we likewise recognize that there may be a number of e-mails from attorneys to Steve that are likely not relevant to this action. Frankly, we have neither the time nor interest to review any attorney authored e-mails that are irrelevant to this action. Thus, after initially reviewing a small portion of the material transferred by Steve in order to determine what it comprises, we have stopped the review process so that we may address this issue with you before discovery begins.

We propose the following: We send the material to our third-party ESI vendor for Bates Stamping. We will then produce all of the documents to you (less any documents for which Steve maintains a privilege, which will be identified in an appropriate log). Defendants will then have a certain amount of time (to be agreed upon by the parties) to advise us as to their position as to the relevance/irrelevance of the attorney-authored communications to Steve and whether any should be withheld and logged by Defendants. In the meantime, we will simply continue the suspension of any review of additional emails between Steve and company lawyers. By engaging in this proposed process, we are, of course, not waiving our right to contest Defendants' positions on relevance and/or the application of any privileges, all of which are expressly reserved.

Please let me know your thoughts about our proposals on these two issues so that we may commence with discovery.
I'll be back in the office on Monday and we can talk then.

Have a good weekend.

Regards,
Colby

J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, Nevada 89107
Tel. 702.382.5222
Fax. 702.382.0540
email jcw@campbellandwilliams.com

EXHIBIT G

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1 confidentiality policy or other document containing a
2 confidentiality provision.

3 4. Jacobs believes that Macau data privacy laws do not
4 prohibit him from disclosing documents in this matter and that
5 Macau data privacy laws are being used by Defendants as a
6 "farcical canard" to avoid disclosure of documents.

7 5. Based upon the foregoing, Jacobs refused to comply with
8 the request for return of documents obtained during the course of
9 his employment and would not commit that he has not or will not
10 provide such documents to third parties.

11 See Exhibit E to Motion for Protective Order.

12 11. In subsequent correspondence, Jacobs' counsel confirmed that Jacobs "is *unable*
13 to 'return' the documents to Defendants". See Exhibit F to Motion for Protective Order.

14 12. Additionally, while Jacobs' attorneys have agreed to cease *their* review and/or
15 production of the documents until the matter is resolved by the Court, they are "unable to
16 represent that Steve has not or will not provide any of the documents to certain third parties."

17 I declare under penalty of perjury of the State of Nevada that the foregoing is true and
18 correct.

19 DATED September 8, 2011.

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21 
22 JUSTIN C. JONES
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EXHIBIT H



August 2, 2011

VIA FAX (382-0540) AND U.S. MAIL

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh St.
Las Vegas, NV 89101

Re: Jacobs v. Las Vegas Sands Corp., et al.
Case No. A627691-C

Dear Mssrs. Campbell and Williams:

This letter follows up on the discussion last night, as well as prior discussions and email correspondence, regarding documents in the possession of your client, Steve Jacobs. My understanding from what you reported last night is as follows:

1. Mr. Jacobs and your firm are in possession of documents which Mr. Jacobs acquired during the course of his employment, which employment Mr. Jacobs alleges was with Las Vegas Sands Corp. ("LVSC").
2. These documents include material that, based upon your initial review, may be subject to the attorney-client privilege.
3. Mr. Jacobs did not sign any confidentiality policy or other document containing a confidentiality provision and thus does not believe that he is bound to keep confidential those documents obtained during the course of his employment.
4. Mr. Jacobs believes that Macanese data privacy laws do not prohibit him from disclosing documents in this matter; rather, Mr. Jacobs believes, after consulting with others, that Macanese data privacy laws are being used by Defendants in this matter as a "farcical canard" to avoid disclosure of documents.
4. Based upon the foregoing, Mr. Jacobs will not comply the request for return of documents obtained during the course of Mr. Jacobs' asserted employment with LVSC, nor can Mr. Jacobs commit that he has not or will not provide such documents to third parties.
5. While Mr. Jacobs will not return the requested documents, he will agree not to produce the documents in this litigation until such time as the issue is resolved by

August 02, 2011

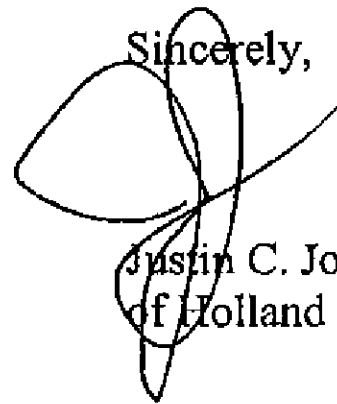
Page 2

the Court upon motion practice. As discussed, a formal stipulation is forthcoming.

6. Furthermore, we requested that you stipulate to our filing of an amended counterclaim to assert claims relating to Mr. Jacobs improper taking of and/or retention of documents. However, you would not agree to stipulate to our filing of an amended counterclaim or to a non-opposition to a motion to amend the counterclaim.

If my understanding of the discussion last night is incorrect, please advise immediately.

Sincerely,

A handwritten signature in black ink, appearing to be "Justin C. Jones", written over the typed name.

Justin C. Jones
of Holland & Hart LLP

JCJ

*** TX REPORT ***

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RESULT OK

HOLLAND & HART 

Justin C. Jones
Phone 702-222-2595
Fax 702-669-4650
jcjones@hollandhart.com

August 2, 2011

VIA FAX (382-0540) AND U.S. MAIL

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh St.
Las Vegas, NV 89101

Re: Jacobs v. Las Vegas Sands Corp., et al.
Case No. A627691-C

Dear Messrs. Campbell and Williams:

This letter follows up on the discussion last night, as well as prior discussions and email correspondence, regarding documents in the possession of your client, Steve Jacobs. My understanding from what you reported last night is as follows:

1. Mr. Jacobs and your firm are in possession of documents which Mr. Jacobs acquired during the course of his employment, which employment Mr. Jacobs alleges was with Las Vegas Sands Corp. ("LVSC").
2. These documents include material that, based upon your initial review, may be subject to the attorney-client privilege.
3. Mr. Jacobs did not sign any confidentiality policy or other document containing a confidentiality provision and thus does not believe that he is bound to keep confidential those documents obtained during the course of his employment.
4. Mr. Jacobs believes that Macanese data privacy laws do not prohibit him from disclosing documents in this matter; rather, Mr. Jacobs believes, after consulting with others, that Macanese data privacy laws are being used by Defendants in this

EXHIBIT I



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

VIA E-MAIL

August 3, 2011

Justin C. Jones, Esq.
Holland & Hart
3800 Howard Hughes Pkwy. 10th Fl.
Las Vegas, Nevada 89169

Re: *Jacobs v. Las Vegas Sands Corp., et al.*

Dear Justin:

I wanted to respond to the letter you faxed to our office yesterday, which sought to memorialize the discussions of counsel pertaining to documents in the possession of our client, Steve Jacobs. Before turning to your enumerated points, I think it is important to clarify that our firm was responsible for bringing this matter to everyone's attention via my e-mail communication to you and Steve Ma on July 8, 2011. In that e-mail I advised both of you, *inter alia*, of the amount of documents Steve (Jacobs) had electronically transferred to our firm, the fact that there appeared to be communications between LVSC/SCL attorneys and Steve during the course of his tenure with Defendants, and that we had stopped our review of said documents very shortly after it began so that the parties could address these issues together. Since that time, various counsel for the parties have conducted at least three telephonic meet and confer conferences, and our firm has continued to refrain from any review or production of the documents per those conferences.

With that background, let me briefly respond to your bullet points in the order they were presented:

1. This is an accurate statement.
2. This is an accurate statement as far as it goes. I would clarify, though, our position that: (i) communications Steve had with a company attorney are not necessarily privileged simply because an attorney was involved, and (ii) Steve would nonetheless be entitled to communications he exchanged with company attorneys even if they are deemed protected by the attorney-client privilege so long as they are relevant (*i.e.*, calculated to lead to the discovery of admissible evidence) to the claims and defenses at issue in the litigation.

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101

PHONE: 702/382-5222
FAX: 702/382-0540

3. Our understanding is that Steve did not sign a confidentiality agreement in his capacity as an employee of LVSC or agent of SCL. We have raised this issue not because we believe Steve may freely disperse documents he acquired during his employment to the public at large but, rather, in response to Defendants' allegation that Steve is wrongfully in possession of said documents.

4. This statement is accurate to the extent it reflects our position that the Macau data privacy laws do not prevent any of the parties from producing documents in this action.

4. [sic] We have offered to Bates Stamp and produce all of Steve's documents to Defendants (less those for which Steve has a privilege, which would be logged), who may then conduct a review to determine their position as to the potential attorney-client communications. Defendants responded that they do not want any documents "produced," but instead want all of them "returned." We advised that Steve is unable simply to "return" the documents to Defendants. We are also unable to represent that Steve has not or will not provide any of the documents to certain third parties.

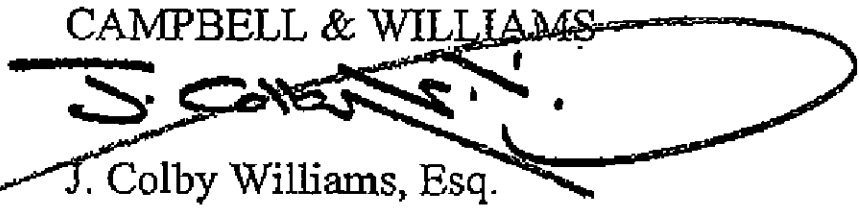
5. While Steve is unable to "return" the documents to Defendants, we agreed not to produce the documents in this litigation until the issue is resolved by the Court. Additionally, our firm will continue to refrain from reviewing the documents so as not to create any issues regarding the documents containing communications with attorneys. We will consider any stipulation you propose on this issue.

6. You are correct that we are unable to agree to stipulate to allow one or both Defendants to amend the counterclaim to assert a cause of action relating to Steve's possession of the subject documents. As we explained, our inability to agree is not designed to create more work for Defendants but, rather, reflects the simple fact that we do not have authorization to consent to such a filing.

While the foregoing is not meant to be a full expression of our rights and positions, I believe it adequately addresses your letter of last night. Please contact me with any questions or comments.

Very truly yours,

CAMPBELL & WILLIAMS


J. Colby Williams, Esq.

JCW/

EXHIBIT J

THE MACAO SPECIAL ADMINISTRATIVE REGION

Act 8/2005

Personal Data Protection Act

Under Article 71 (1) of the Basic Law of the Macao Special Administrative Region, the Legislative Council hereby decrees the following to implement the fundamental order established by Articles 30, 32, and 43 of the Basic Law of the Macao Special Administrative Region.

CHAPTER I

General provisions

Article 1

Object

This Act establishes the legal system on the processing and protection of personal data.

Article 2

General principle

The processing of personal data shall be carried out transparently and in strict respect for privacy and for other fundamental rights, freedoms and guarantees enacted in the Basic Law of the Macao Special Administrative Region, the instruments of international law and the legislation in force.

Article 3

Scope

1 – This Act shall apply to the processing of personal data wholly or partly by automatic means, and to the processing other than by automatic means of personal data which form part of manual filing systems or which are intended to form part of manual filing systems.

2 – This Act shall not apply to the processing of personal data carried out by a natural person in the course of a purely personal or household activity, save those with the purposes of systematic communication and dissemination.

3 – This Act shall apply to video surveillance and other forms of capture, processing and dissemination of sound and images allowing persons to be identified, provided the controller is domiciled or based in the Macao Special Administrative Region (the MSAR)

or makes use of a computer or data communication network access provider established on the MSAR territory.

4 – This Act shall apply to the processing of personal data regarding public safety without prejudice to special rules in instruments of international law and inter-regional agreements to which the MSAR is bound and specific laws pertinent to public safety and other related regulations.

Article 4

Definitions

1 – For the purposes of this Act:

- (1) “personal data” shall mean any information of any type, irrespective of the type of medium involved, including sound and image, relating to an identified or identifiable natural person (“data subject”); an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an indication number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity;
- (2) “data subject” shall mean the natural person whose data are processed;
- (3) “processing of personal data” (“processing”) shall mean any operation or set of operations which is performed upon personal data, whether or not by automatic means, such as collection, recording, organisation, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction;
- (4) “personal data filing system” (“filing system”) shall mean any structured set of personal data which are accessible according to specific criteria, regardless of the form or method of its establishment, storage and organization;
- (5) “controller” shall mean the natural or legal person, public entity, agency or any other body which alone or jointly with others determines the purposes and means of the processing of personal data;
- (6) “processor” shall mean a natural or legal person, public entity, agency or any other body which processes personal data on behalf of the controller;
- (7) “third party” shall mean any natural or legal person, public entity, agency or any other body other than the data subject, the controller, the processor and the persons under the direct authority of the controller or the processor, which are qualified to process the data;
- (8) “recipient” shall mean a natural or legal person, public entity, agency or any other body to whom data are disclosed, whether a third party or not; however, authorities which may receive data in the framework of a law or a statutory regulation with organizational nature shall not be regarded as recipients;

- (9) "the data subject's consent" shall mean any freely given specific and informed indication of his wishes by which the data subject signifies his agreement to personal data relating to him being processed;
 - (10) "combination of data" shall mean a form of processing which consists of the possibility of correlating data in a filing system with data in a filing system or systems kept by another or other controllers or kept by the same controller for other purposes;
 - (11) "public authority" shall mean an entity to which No. 3 of Article 79 of the Civil Code refers;
 - (12) "statutory regulation with organizational nature" shall mean a provision in law regulating the organization and function, or in the statute, of any entity that is competent to process the personal data or carry out other actions enacted in this act.
- 2 -- To serve (5) above, if the purpose and method are determined in the law or statutory regulation with organizational nature, the controller shall be designated in it.

CHAPTER II

Processing and quality of personal data and the lawfulness of their processing

Article 5

Data quality

1 -- Personal data must be:

- (1) processed lawfully and with respect for the principle of good faith and the general principle in Article 2;
- (2) collected for specified, explicit, legitimate purposes and for purposes directly related to the activity of the controller; and not further processed in a way incompatible with those purposes;
- (3) adequate, relevant and not excessive in relation to the purposes for which they are collected and/or further processed;
- (4) accurate and, where necessary, kept up to date; adequate measures must be taken to ensure that data which are inaccurate or incomplete, having regard to the purposes for which they were collected or for which they are further processed, are erased or rectified;
- (5) kept in a form which permits identification of their subjects for no longer than is necessary for the purposes for which they were collected or for which they are further processed.

2 – The storing of data for historical, statistical or scientific purposes for longer periods than in (5) above may be authorised by the public authority at the request of the controller in the case of a legitimate interest.

Article 6

Criteria for making data processing legitimate

Personal data may be processed only if the data subject has unambiguously given his consent or if processing is necessary:

- (1) for the performance of a contract or contracts to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract or a declaration of his will to negotiate;
- (2) for compliance with a legal obligation to which the controller is subject;
- (3) in order to protect the vital interests of the data subject if the latter is physically or legally incapable of giving his consent;
- (4) for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller or in a third party to whom the data are disclosed;
- (5) for pursuing the legitimate interests of the controller or the third party to whom the data are disclosed, except where such interests should be overridden by the interests for fundamental rights, freedoms and guarantees of the data subject.

Article 7

The processing of sensitive data

1 – The processing of personal data revealing philosophical or political beliefs, political society or trade union membership, religion, privacy and racial or ethnic origin, and the processing of data concerning health or sex life, including genetic data, shall be prohibited.

2 – With guarantees of non-discrimination and with the security measures provided for in Article 16, the processing of the data referred to in the previous number shall be carried out when one of the following conditions applies:

- (1) when the processing of the data referred to in the previous number is given explicit authorisation by a legal provision or by a statutory regulation with organizational nature;
- (2) when, on important public interest grounds, such processing is essential for exercising the legal or statutory rights of the controller, and authorised by the public authority;
- (3) when the data subject has given his explicit consent for such processing.

3 – The processing of the data referred to in No. 1 shall also be carried out when one of the following conditions applies:

- (1) when it is necessary to protect the vital interests of the data subject or of another person, and the data subject is physically or legally incapable of giving his consent;
- (2) when it is carried out with the data subject's consent in the course of its legitimate activities by a legal person or non-profit seeking body with a political, philosophical, religious or trade union aim and on condition that the processing relates solely to the members of the body or to persons who have regular contact with it in connection with its purposes and that the data are not disclosed to a third party without the consent of the data subjects;
- (3) when it relates to data which are manifestly made public by the data subject, provided his consent for their processing can be clearly inferred from his declarations;
- (4) when it is necessary for the establishment, exercise or defence of legal claims and is exclusively carried out for that purpose.

4 – The processing of data relating to health and sex life, including genetic data, shall be carried out if it is necessary for the purposes of preventive medicine, medical diagnosis, the provision of care or treatment or the management of health-care services, provided those data are processed by a health professional bound by professional secrecy or by another person also subject to an equivalent obligation of secrecy, and it is notified to the public authority under Article 21, and where suitable safeguards are provided.

Article 8

Suspicion of illegal activities, criminal and administrative offences

- 1 – Central registers relating to persons suspected of illegal activities, criminal and administrative offences and decisions applying penalties, security measures, fines and additional penalties may only be created and kept by public services vested with that specific responsibility by a legal provision or a statutory regulation with organizational nature, subject to observance of procedural and data protection rules in force.
- 2 – The processing of personal data relating to persons suspected of illegal activities, criminal and administrative offences and decisions applying penalties, security measures, fines and additional penalties may be carried out, subject to observance of the rules for the protection of data and the security of information, when such processing is necessary for pursuing the legitimate purposes of the controller, provided the fundamental rights and freedoms of the data subject are not overriding.
- 3 – The processing of personal data for the purposes of police investigations shall be restricted to the processing necessary to prevent a specific danger or to prosecute a particular offence and to exercise the responsibilities provided for in a legal provision, in a statutory regulation with organizational nature, or in the terms of instruments of international law or inter-regional agreements applicable in the MSAR.

Article 9

Combination of personal data

- 1 - The combination of personal data not provided for in a legal provision or a statutory regulation with organizational nature shall be subject to the authorisation of the public authority, requested by the controller or jointly by the corresponding controllers under No. 1 of Article 22.
- 2 - The combination of personal data must:
 - (1) be necessary for pursuing the legal or statutory purposes and legitimate interests of the controller;
 - (2) not involve discrimination or a reduction in the fundamental rights and freedoms of the data subjects;
 - (3) be covered by adequate security measures;
 - (4) take account of the type of data subject to combination.

CHAPTER III

Rights of the data subject

Article 10

Right to information

- 1 - The controller or his representative shall provide a data subject from whom data relating to himself are collected with the following information, except where he already has it:
 - (1) the identity of the controller and of his representative, if any;
 - (2) the purposes of the processing;
 - (3) other information such as:
 - (i) The recipients or categories of recipients;
 - (ii) Whether replies are obligatory or voluntary, as well as the possible consequences of failure to reply;
 - (iii) The existence and conditions of the right of access and the right to rectify, provided they are necessary, taking account of the specific circumstances of collection of the data in order to guarantee the data subject that they will be processed fairly.
- 2 - The documents supporting the collection of personal data shall contain the information set down in the previous number.
- 3 - If the data are not collected from the data subject and except where he already has it, the controller or his representative must provide the data subject with the information set

down in No. 1 at the time of undertaking the recording of data or, if a disclosure to third parties is envisaged, no later than the time the data are first disclosed.

4 – If data are collected on open networks the data subject shall be informed, except where he is already aware of it, that personal data relating to him may be circulated on the network without security measures and may be at risk of being seen and used by unauthorised third parties.

5 – The obligation to provide information may be waived by any one of the following:

- (1) a legal provision;
- (2) on the grounds of security and criminal prevention or investigation;
- (3) in particular for processing for statistical purposes or for the purposes of historical or scientific research, when the provision of such information proves impossible or would involve a disproportionate effort or if recording or disclosure is expressly laid down by law or administrative regulations, in which case notification to the public authority is required.

6 – With respect to the basic right of the data subject under No. 3 of the next article, the obligation to provide information under this Article shall not apply to the processing of data carried out solely for journalistic purposes or the purpose of artistic or literary expression.

Article 11

Right of access

1 – The data subject has the right to obtain from the controller without constraint at reasonable intervals and without excessive delay or expense:

- (1) Confirmation as to whether or not data relating to him are being processed and information as to the purposes of the processing, the categories of data concerned and the recipients or categories of recipients to whom the data are disclosed;
- (2) Communication in an intelligible form of the data undergoing processing and of any available information as to their source;
- (3) Knowledge of the reason involved in any automatic processing of data concerning him;
- (4) The rectification, erasure or blocking of data the processing of which does not comply with the provisions of this Act, in particular because of the incomplete or inaccurate nature of the data;
- (5) Notification to third parties to whom the data have been disclosed of any rectification, erasure or blocking carried out in compliance with (4), in which case the third parties are required to rectify, erase or block the data accordingly, unless this proves impossible, or would involve a disproportionate effort.

- 2 – In the case of the processing of personal data relating to security and criminal prevention or investigation, the right of access may be exercised by means of the competent authority in that case.
- 3 – In the cases provided for in No. 6 of the previous article, the right of access is exercised by means of the public authority, securing the rules applicable, in particular those guaranteeing freedom of expression and information, freedom of the press and the professional independence and secrecy of journalists.
- 4 – In the cases provided for in No. 2 and No. 3, if communication of the data might prejudice security, criminal prevention or investigation and freedom of expression and information or the freedom of the press, the competent authority in that case or the public authority shall only inform the data subject of the measures taken within the limits of maintaining the targeted value of protection described in this number.
- 5 – The right of access to information relating to health data, including genetic data, is exercised by means of the doctor chosen by the data subject.
- 6 – If the data are not used for taking measures or decisions regarding any particular individual, the law may restrict the right of access where there is clearly no risk of breaching the fundamental rights, freedoms and guarantees of the data subject, particularly the right to privacy, and when the data are used solely for purposes of scientific research or are kept in personal form for a period which does not exceed the period necessary for the sole purpose of creating statistics.

Article 12

Right to object

1. Save where otherwise provided by law, the data subject has the right to object at any time on compelling legitimate grounds relating to his particular situation to the processing of data relating to him, and where there is a justified objection the processing instigated by the controller may no longer involve those data;
2. The data subject also has the right to object, on request and free of charge, to the processing of personal data relating to him which the controller anticipates being processed for the purposes of direct marketing or any other form of commercial research, or to be informed before personal data are disclosed for the first time to third parties for the purposes of direct marketing or for use on behalf of third parties, and to be expressly offered the right to object free of charge to such disclosure or uses.

Article 13

Right not to be subject to automated individual decisions

- 1 – Every person shall have the right not to be subject to a decision which produces legal effects concerning him or significantly affects him and which is based solely on

automated processing of data intended to evaluate certain personal aspects relating to him, in particular his performance at work, creditworthiness, reliability or conduct.

2 – Without prejudice to compliance with the other provisions of this Act, a person may be subject to a decision taken under No. 1:

- (1) if that decision is taken in the course of the entering into or performance of a contract, provided that the request for the entering into or the performance of the contract has been satisfied, or that there are suitable measures to safeguard his legitimate interests, particularly arrangements allowing him to put his point of view.
- (2) if that decision is authorised by a legal provision which shall lay down measures to safeguard the data subject's legitimate interests.

Article 14

Right to indemnification

1 – Any person who has suffered damage as a result of an unlawful processing operation or of any other act incompatible with legal provisions or regulations in the area of personal data protection is entitled to receive compensation from the controller for the damage suffered.

2 – The controller may be exempted from this liability, in whole or in part, if he proves that he is not responsible for the event giving rise to the damage.

3 – If a processor involves, Article 492 of the Civil Code and its following provisions pertinent to relation of commission shall apply.

CHAPTER IV

Security and confidentiality of processing

Article 15

Security of processing

1 – The controller must implement appropriate technical and organisational measures to protect personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing. Having regard to the state of the art and the cost of their implementation, such measures shall ensure a level of security appropriate to the risks represented by the processing and the nature of the data to be protected.

2 – Where processing is carried out on his behalf the controller must choose a processor providing sufficient guarantees in respect of the technical security measures and organisational measures governing the processing to be carried out, and must ensure compliance with those measures.

3 – The carrying out of processing by way of a processor must be governed by a contract or legal act binding the processor to the controller and stipulating in particular that the processor shall act only on instructions from the controller and that the obligations referred to in No. 1 shall also be incumbent on the processor.

4 – Proof of the will to negotiate, the contract or the legal act relating to data protection and the requirements relating to the measures referred to in No. 1 shall be in writing in a document legally certified as affording proof.

Article 16

Special security measures

1 - The controllers of the data referred to in No. 2 of Articles 7 and Article 8 shall take appropriate measures to:

- 1) prevent unauthorised persons from entering the premises used for processing such data (control of entry to the premises);
- 2) prevent data media from being read, copied, altered or removed by unauthorised persons (control of data media);
- 3) prevent unauthorised input and unauthorised obtaining of knowledge, alteration or elimination of personal data input (control of input);
- 4) prevent automatic data processing systems from being used by unauthorised persons by means of data transmission premises (control of use);
- 5) guarantee that authorised persons may only access data covered by the authorisation (control of access);
- 6) guarantee the checking of the bodies to whom personal data may be transmitted by means of data transmission premises (control of transmission);
- 7) guarantee that it is possible to check *a posteriori* , in a period appropriate to the nature of the processing, the establishment in the regulations applicable to each sector of which personal data are input, when and by whom (control of input);
- 8) in transmitting personal data and in transporting the respective media, prevent unauthorised reading, copying, alteration or elimination of data (control of transport).

2 – Taking account of the nature of the bodies responsible for processing and the type of premises in which it is carried out, the public authority may waive the existence of certain security measures, subject to guaranteeing respect for the fundamental rights, freedoms and guarantees of the data subjects.

- 3 – The systems must guarantee logical separation between data relating to health and sex life, including genetic data, and other personal data.
- 4 – Where circulation over a network of the data referred to in Article 7 may jeopardise the fundamental rights, freedoms and guarantees of their data subjects the public authority may determine that transmission must be encoded.

Article 17

Processing by a processor

Any person acting under the authority of the controller or the processor, including the processor himself, who has access to personal data must not process them except on instructions from the controller, unless he is required to do so by law.

Article 18

Professional secrecy

- 1 – Controllers and persons who obtain knowledge of the personal data processed in carrying out their functions shall be bound by professional secrecy, even after their functions have ended.
- 2 – Officers, agents or staff who act as consultants for the public authority shall be subject to the same obligation of professional secrecy.
- 3 – The provision in the previous numbers shall not exclude the duty to supply the obligatory information according to the law, except when it is contained in filing systems organised for statistical purposes.

CHAPTER V

Transfer of personal data outside the MSAR

Article 19

Principles

- 1 - The transfer of personal data to a destination outside the MSAR may only take place subject to compliance with this Act and provided the legal system in the destination to which they are transferred ensures an adequate level of protection.
- 2 – The adequacy of the level of protection referred to in the previous number shall be assessed in the light of all the circumstances surrounding a data transfer operation or set of data transfer operations; particular consideration shall be given to the nature of the data, the purpose and duration of the proposed processing operation or operations, the place of origin and place of final destination, the rules of law, both general and sectoral, in force in

the destination in question and the professional rules and security measures which are complied with in that destination.

3 – It is for the public authority to decide whether a legal system ensures an adequate level of protection referred to in the previous number.

Article 20

Derogations

1 - A transfer of personal data to a destination in which the legal system does not ensure an adequate level of protection within the meaning of No. 2 of the previous article may be allowed on condition that the public authority is notified, and that the data subject has given his consent unambiguously to the proposed transfer, or if that transfer:

- (1) is necessary for the performance of a contract between the data subject and the controller or the implementation of pre-contractual measures taken in response to the data subject's request;
- (2) is necessary for the performance or conclusion of a contract concluded or to be concluded in the interests of the data subject between the controller and a third party;
- (3) is necessary or legally required on important public interest grounds, or for the establishment, exercise of defence of legal claims;
- (4) is necessary in order to protect the vital interests of the data subject;
- (5) is made from a register which according to laws or administrative regulations is intended to provide information to the public and which is open to consultation either by the public in general or by any person who can demonstrate legitimate interest, provided the conditions laid down in law for consultation are fulfilled in the particular case.

2 – Without prejudice to No. 1 the public authority may authorise a transfer or a set of transfers of personal data to a destination in which the legal system does not ensure an adequate level of protection within the meaning of No. 2 of the previous article, provided the controller adduces adequate safeguards with respect to the protection of the privacy and fundamental rights and freedoms of individuals and with respect to their exercise, particularly by means of appropriate contractual clauses.

3 – A transfer of personal data which is necessary for the protection of defence, public security and public health, and for the prevention, investigation and prosecution of criminal offences, shall be governed by special legal provisions or by the international conventions and regional agreements to which the MSAR is party.

CHAPTER VI

Notification

Article 21

Obligation of notification

- 1 – The controller or his representative, if any, must notify the public authority in written form within eight days after the initiation of carrying out any wholly or partly automatic processing operation or set of such operations intended to serve a single purpose or several related purposes.
- 2 – The public authority may authorise the simplification of or exemption from notification for particular categories of processing which are unlikely, taking account of the data to be processed, to affect adversely the rights and freedoms of the data subjects and to take account of criteria of speed, economy and efficiency.
- 3 – The authorisation, which must be published in the *Official Gazette of the MSAR*, must specify the purposes of the processing, the data or category of data to be processed, the category or categories of data subjects, the recipients or categories of recipients to whom the data may be disclosed and the length of time the data are to be stored.
- 4 – Processing whose sole purpose is the keeping of a register which according to laws or administrative regulations is intended to provide information to the public and which is open to consultation by the public in general or by any person demonstrating a legitimate interest shall be exempted from notification.
- 5 – The non-automatic processing of the personal data provided for in No. 1 of Article 7 shall be subject to notification when they are processed under No. 3 (1) of that Article.

Article 22

Prior checking

- 1 – Save where otherwise referred to in No. 2, the authorisation of the public authority is required for:
 - (1) the processing of personal data referred to in No. 2 of Article 7;
 - (2) the processing of personal data relating to credit and the solvency of the data subjects;
 - (3) the combination of personal data provided for in Article 9;
 - (4) the use of personal data for purposes not giving rise to their collection.
- 2 – The processing referred to in the previous number may be authorised by legal provisions or statutory regulations with organizational nature, in which case it does not require the authorisation of the public authority.

Article 23

Content of applications for opinions or authorisation and notification

Applications for opinions, authorisation and notifications submitted to the public authority shall include the following information:

- (1) the name and address of the controller and of his representative, if any;
- (2) the purposes of the processing;
- (3) a description of the category or categories of data subjects and of the data or categories of personal data relating to them;
- (4) the recipients or categories of recipients to whom the data might be disclosed and in what circumstances;
- (5) the body entrusted with processing the information, if it is not the controller himself;
- (6) any combinations of personal data processing;
- (7) the length of time for keeping personal data;
- (8) the form and circumstances in which the data subjects may be informed of or may correct the personal data relating to them;
- (9) proposed transfers of data to third countries;
- (10) a general description enabling a preliminary assessment to be made of the adequacy of the measures taken under Articles 15 and 16 to ensure security of processing.

Article 24

Obligatory information

1 – The legal provisions or statutory regulations with organizational nature referred to in No. 2 of Article 7 and No. 1 of Article 8, the authorisations of the public authority and the register of personal data processing must indicate at least:

- (1) the controller of the filing system and his representative, if any;
- (2) the categories of personal data processed;
- (3) the purposes of the data and the categories of body to whom they might be disclosed;
- (4) the form of exercising the right of access and rectification.;
- (5) any combinations of personal data processing;
- (6) proposed transfers of data to third countries or regions.

2 – Any change in the information referred to in No. 1 shall be subject to the procedures provided for in Articles 21 and 22.

Article 25

Publicising of processing operations

1 – When personal data processing is not covered by a legal provision or statutory regulations with organizational nature, and must be authorised or notified, it shall be set down in a public authority register open to consultation by any person.

- 2 – The register shall contain the information listed in (1) to (4) and (9) of Article 23.
- 3 – A controller not subject to notification shall make available at least the information referred to in No. 1 of the previous article in an appropriate form to any person on request.
- 4 – This Article does not apply to processing whose sole purpose is the keeping of a register which according to laws or administrative regulations is intended to provide information to the public and which is open to consultation either by the public in general or by any person who can provide proof of a legitimate interest.
- 5 – All the opinions and authorisations drawn up or granted under this Act, particularly the authorisations provided for in No. 2 of Article 7 and No. 1 of Article 9, must be published by the public authority in its annual report.

CHAPTER VII

Codes of conduct

Article 26

Codes of conduct

The public authority shall encourage the drawing up of codes of conduct intended to contribute to the proper implementation of the provisions in this Act, to enhance a great efficacy of self regulation, and to exercise and protect privacy pertained basic rights, taking account of the specific features of the various sectors.

Article 27

Submission of draft codes of conduct

- 1 – Professional associations and other bodies representing other categories of controllers which have drawn up draft codes of conduct shall be able to submit them to the public authority for registration.
- 2 – If the public authority considers the draft as in accordance with the laws and regulations in force in the area of personal data protection, a registration shall be made.
- 3 – The registration of the codes of conduct has the effect of a declaration of its lawfulness but does not have the nature of a legal provision or a statutory regulation.

CHAPTER VIII
Administrative and legal supervision

SECTION I
Administrative and legal supervision

Article 28
General principles

Without prejudice to the right to submit a complaint to the public authority, according to the law any individual may have recourse to administrative and legal means to guarantee compliance with legal provisions and statutory regulations in the area of personal data protection.

Article 29
Special legal supervision

- 1 – Appeals may be lodged directly to the Court of Final Appeal against decisions reached by a law court for the reason of violation of fundamental rights protected by this act. It shall be direct and limited to only the questions on violation against fundamental rights, and shall have an urgent nature.
- 2 – Without prejudice to the previous number, for administrative acts or simple facts of public powers, appeals may be lodged to the Administrative Court for reasons of violation of fundamental rights protected by this act. The appeal shall have an urgent nature.
- 3 – In compliance with the previous two numbers, Article 7 of the Codes of Civil Procedures shall apply to the duly adapted appeal procedure mentioned in the previous two numbers. It also applies to and supplements the duly adapted law of civil procedures and administrative procedures respectively.

SECTION II
Administrative offences

Article 30
Subsidiary legislation

The general system of administrative offences, adapted according to the following articles, is subsidiarily applicable to the offences provided for in this section.

Article 31

Compliance with duty omitted

Whenever the administrative offence arises from omitting a duty, application of the penalty and payment of the fine do not release the perpetrator from compliance with that duty, if it is still possible.

Article 32

Omission or inadequate compliance with obligations

1 – Bodies which negligently fail to comply with the obligation to notify the public authority of the processing of personal data referred to in No. 1 and No. 5 of Article 21, provide false information or comply with the obligation to notify without observing Article 23 or, having been notified by the public authority, continue to allow access to open data transmission networks to controllers who fail to comply with the provisions of this Act are committing an administrative offence punishable with the following fines:

(1) In the case of a natural person, a minimum of MOP2,000 and a maximum of MOP20,000;

(2) In the case of a legal person or a body without legal personality, a minimum of MOP10,000 and a maximum of MOP100,000.

2 – The fine shall be increased to double the maxima in the case of data subject to prior authorisation according to Article 22.

Article 33

Other administrative offences

1 – Bodies which fail to comply with obligations in Articles 5, 10, 11, 12, 13, 16, 17 and No. 3 of Article 25 are committing an administrative offence punishable with a minimum fine of MOP4,000 and a maximum of MOP40,000.

2 - In the case of failure to comply with the obligations in Articles 6, 7, 8, 9, 19 and 20, the administrative offence is punishable with a fine of MOP8,000 – MOP80,000.

Article 34

Concurrent offences

1 - If the same fact is simultaneously a crime and an administrative offence the agent shall always be punished by virtue of the crime.

2 – The penalties applied to concurrent administrative offences shall always be materially accumulated.

Article 35

Punishment of negligence and attempt

- 1 – Negligence shall always be punished in relation to the administrative offences provided for in Article 33.
- 2 - Any attempt to commit the administrative offences provided for in Articles 32 and 33 shall always be liable to punishment.

Article 36

Application of fines

- 1 – The public authority is responsible for the application of the fines provided for in this Act.
- 2 – The decision of the public authority shall be enforceable if it is not challenged within the statutory period.

SECTION III

Crimes

Article 37

Non-compliance with obligations relating to data protection

- 1 –Any person who intentionally:
 - (1) omits notification or the application for authorisation referred to in Articles 21 and 22;
 - (2) provides false information in the notification or in applications for authorisation for the processing of personal data or makes alterations in the latter which are not permitted by the legalisation instrument;
 - (3) misappropriates or uses personal data in a form incompatible with the purpose of the collection or with the legalisation instrument;
 - (4) promotes or carries out an illegal combination of personal data;
 - (5) fails to comply with the obligations provided for in this Act or in other data protection legislation when the time limit fixed by the public authority for complying with them has expired;
 - (6) continues to allow access to open data transmission networks to controllers who fail to comply with the provisions of this Act after notification by the public authority not to do so,shall be liable to up to one year's imprisonment or a fine of up to 120 days.
- 2 – The penalty shall be increased to double the maxima in the case of the personal data referred to in Articles 7 and 8.

Article 38

Undue access

- 1 – Any person who without due authorisation gains access by any means to personal data prohibited to him shall be liable to up to one year's imprisonment or a fine of up to 120 days, if a more severe punishment is not to be enforced due to a specific law.
- 2 - The penalty shall be increased to double the maxima when access:
 - (1) is achieved by means of violating technical security rules;
 - (2) allows the agent or third parties to obtain knowledge of the personal data;
 - (3) provides the agent or third parties with a benefit or material advantage.
- 3 – In the case of No. 1 criminal proceedings are dependent upon a complaint.

Article 39

Invalidation or destruction of personal data

- 1 – Any person who without due authorisation erases, destroys, damages, deletes or changes personal data, making them unusable or affecting their capacity for use, shall be liable to up to two years' imprisonment or a fine of up to 240 days, if a more severe punishment is not to be enforced due to a specific law.
- 2 - The penalty shall be increased to double the maxima if the damage caused is particularly serious.
- 3 – If the agent acts with negligence as referred to in the previous two numbers the penalty in both cases shall be up to one year's imprisonment or a fine of up to 120 days.

Article 40

Qualified non-compliance

- 1 – Any person who after being notified to do so does not interrupt, cease or block the processing of personal data shall be subject to a penalty corresponding to the crime of qualified non-compliance.
- 2 – The same penalty shall apply to any person who after being notified:
 - (1) without just cause refuses to provide his cooperation specifically required by the public authority;
 - (2) does not erase or totally or partially destroy the personal data;
 - (3) does not destroy the personal data after the period for keeping them provided for in Article 5 has elapsed.

Article 41

Violation of the duty of secrecy

- 1 – Any person bound by professional secrecy according to the law who without just cause and without due consent reveals or discloses personal data, totally or in part, shall be liable to up to two years' imprisonment or a fine of up to 240 days, if a more severe punishment is not to be enforced due to a specific law.
- 2 - The penalty shall be increased by half the maxima if the agent:
 - (1) is a civil servant or equivalent, according to penal law;
 - (2) acts with the intention of obtaining a material advantage or other unlawful gain;
 - (3) adversely affects the reputation, honour and esteem or the privacy of another person.
- 3 – A person guilty of negligence shall be liable to up to six months' imprisonment or a fine of up to 120 days.
- 4 – Other than the cases provided for in No. 2, criminal proceedings are dependent upon a complaint.

Article 42

Punishment of attempt

Any attempt to commit the crimes provided for in this Section shall always be liable to punishment.

SECTION IV

Additional penalty

Article 43

Additional penalty

The following may be ordered in addition to the fines and penalties provided for in Sections II and III in this Chapter when applied:

- (1) temporary or permanent prohibition of processing, blocking, erasure or total or partial destruction of data;
- (2) publication of the judgement;
- (3) public warning or censure of the controller by the public authority.

Article 44

Publication of judgement

- 1 – The judgement shall be published at the expense of the person judged in the periodicals with the largest circulation published, one in Chinese and one in Portuguese, and by means of affixing a notice for a period of no less than 30 days.
- 2 – Publication shall be done by means of a summary containing information on the offence and the penalties applied and the identification of the agent.

CHAPTER IX

Final provisions

Article 45

Transitional provision

- 1 – The processing of data held in manual filing systems on the date of the entry into force of this Act shall be brought into conformity with Articles 7, 8, 10 and 11 within two years.
- 2 – At his request the data subject may in any event, in particular when exercising the right of access, obtain the rectification, erasure or blocking of incomplete or inaccurate data or data kept in a manner incompatible with the legitimate purposes of the controller.
- 3 - The public authority may provide that the data held in manual filing systems and kept solely for the purposes of historical research need not be brought into conformity with Articles 7, 8 and 9, provided they are in no case reused for a different purpose.

Article 46

Entry into force

This Act comes into force on the 180th day following its publication.

Approved on 4 August 2005.

The President of the *Legislative Council*, *Susana Chou*.

Signed on 10 August 2005.

Hereby published.

The Chief Executive, HO HAU WAH.

BUSINESS COURT CIVIL COVER SHEET

County, Nevada

A - 1 1 - 6 4 8 4 8 4 - B

Case No. _____
(Assigned by Clerk's Office)

X I

I. Party Information

Plaintiff(s) (name/address/phone): LAS VEGAS SANDS CORP., a Nevada corporation

Attorney (name/address/phone):

Justin C. Jones, Esq./Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor, Las Vegas, NV
(702-669-4600)

Defendant(s) (name/address/phone): STEVEN C. JACOBS, an individual; VAGUS GROUP, INC., a Delaware corporation

Attorney (name/address/phone):

II. Nature of Controversy

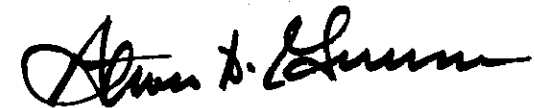
☐ Arbitration Requested

Please check the applicable boxes for both the civil case type and business court case type.

Civil Cases		Business Court
Real Property	Other Civil Types	Business Court Case Type
<input type="checkbox"/> Landlord/Tenant <input type="checkbox"/> Unlawful Detainer <input type="checkbox"/> Title to Property <input type="checkbox"/> Foreclosure <input type="checkbox"/> Liens <input type="checkbox"/> Quiet Title <input type="checkbox"/> Specific Performance <input type="checkbox"/> Other Real Property <input type="checkbox"/> Partition <input type="checkbox"/> Planning/Zoning	<input type="checkbox"/> Civil Writ <input type="checkbox"/> Other Special Proceeding <input type="checkbox"/> Other Civil Filing <input type="checkbox"/> Compromise of Minor's Claim <input type="checkbox"/> Conversion of Property <input type="checkbox"/> Damage to Property <input type="checkbox"/> Employment Security <input type="checkbox"/> Enforcement of Judgment <input type="checkbox"/> Foreign Judgment - Civil <input type="checkbox"/> Other Personal Property <input type="checkbox"/> Recovery of Property <input type="checkbox"/> Stockholder Suit <input type="checkbox"/> Other Civil Matters	Clark County Business Court <input type="checkbox"/> NRS Chapters 78-89 <input type="checkbox"/> Commodities (NRS 91) <input type="checkbox"/> Securities (NRS 90) <input type="checkbox"/> Mergers (NRS 92A) <input type="checkbox"/> Uniform Commercial Code (NRS 104) <input type="checkbox"/> Purchase or Sale of Stock /Assets of Business/ Corporate Real Estate <input type="checkbox"/> Trade-mark/Trade Name (NRS 600) <input checked="" type="checkbox"/> Enhanced Case Mgmt/Business <input type="checkbox"/> Other Business Court Matters
Negligence Torts	<input type="checkbox"/> Construction Defect <input type="checkbox"/> Chapter 40 <input type="checkbox"/> General	Washoe County Business Court <input type="checkbox"/> NRS Chapters 78-88 <input type="checkbox"/> Commodities (NRS 91) <input type="checkbox"/> Securities (NRS 90) <input type="checkbox"/> Investments (NRS 104 Art. 8) <input type="checkbox"/> Deceptive Trade Practices (NRS 598) <input type="checkbox"/> Trade-mark/Trade Name (NRS 600) <input type="checkbox"/> Trade Secrets (NRS 600A) <input type="checkbox"/> Enhanced Case Mgmt/Business <input type="checkbox"/> Other Business Court Matters
<input type="checkbox"/> Negligence - Premises Liability (Slip/Fall) <input type="checkbox"/> Negligence - Other	<input type="checkbox"/> Breach of Contract <input type="checkbox"/> Building & Construction <input type="checkbox"/> Insurance Carrier <input type="checkbox"/> Commercial Instrument <input type="checkbox"/> Other Contracts/Acct/Judgment <input type="checkbox"/> Collection of Actions <input type="checkbox"/> Employment Contract <input type="checkbox"/> Guarantee <input type="checkbox"/> Sale Contract <input type="checkbox"/> Uniform Commercial Code	
Torts	<input type="checkbox"/> Civil Petition for Judicial Review <input type="checkbox"/> Foreclosure Mediation <input type="checkbox"/> Other Administrative Law <input type="checkbox"/> Department of Motor Vehicles <input type="checkbox"/> Worker's Compensation Appeal	
<input type="checkbox"/> Product Liability <input type="checkbox"/> Motor Vehicle-Product Liability <input type="checkbox"/> Other Torts-Product Liability <input type="checkbox"/> Intentional Misconduct <input type="checkbox"/> Defamation (Libel/Slander) <input type="checkbox"/> Interfere with Contract Rights <input type="checkbox"/> Employment Torts (Wrongful Termination) <input type="checkbox"/> Other Torts <input type="checkbox"/> Anti-trust <input type="checkbox"/> Fraud/Misrepresentation <input type="checkbox"/> Insurance <input type="checkbox"/> Legal Tort <input type="checkbox"/> Unfair Competition		

Sept. 16, 2011
Date

Signature of initiating party or representative



CLERK OF THE COURT

COMPB

J. Stephen Peek, Esq.
Nevada Bar No. 1759
Justin C. Jones, Esq.
Nevada Bar No. 8519
Brian G. Anderson, Esq.
Nevada Bar No. 10500
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
(702) 669-4600
(702) 669-4650 – fax
speek@hollandhart.com
jcjones@hollandhart.com

Attorneys for Defendant Las Vegas Sands Corp.

DISTRICT COURT

CLARK COUNTY, NEVADA

LAS VEGAS SANDS CORP., a Nevada
corporation,

Plaintiff,

v.

STEVEN C. JACOBS, an individual; VAGUS
GROUP, INC., a Delaware corporation; DOES I
through X and ROE CORPORATIONS XI
through XX;

Defendants.

CASE NO.: A - 11 - 648484 - B
DEPT NO.: XI

COMPLAINT

Las Vegas Sands Corp. ("LVSC"), by and through its undersigned counsel, the law firm of Holland & Hart LLP, as and for its Complaint, hereby complains, alleges and states as follows:

PARTIES

1. Plaintiff LVSC is a Nevada corporation.
2. Defendant Steven C. Jacobs ("Jacobs") is an individual who, upon information and belief, resides in the State of Georgia and/or Florida. Jacobs maintained a hotel room at the Venetian Macau Resort Hotel and worked in the Macau Special Administrative Region ("Macau") of the People's Republic of China ("China") and maintained a residence for himself and his family in the Hong Kong Special Administrative Region ("Hong Kong").

4 4. Defendants Does I through X and Roe Corporations XI through XX are persons
5 or entities whose acts, activities, misconduct or omissions make them jointly and severally liable
6 under the claims for relief as set forth herein. The true names and capacities of the Doe
7 Defendants and Roe Corporate Defendants are presently unknown, but when ascertained,
8 Plaintiff requests leave of the Court to amend the Complaint to substitute their true names and
9 capacities.

5. LVSC's direct or indirect subsidiaries own and operate The Venetian Resort Hotel Casino, The Palazzo Resort Hotel Casino and The Sands Expo and Convention Center in Las Vegas, Nevada and the Marina Bay Sands in Singapore. LVSC has an indirect majority ownership interest through its subsidiaries in the Sands Macao, The Venetian Macao Resort Hotel ("The Venetian Macao"), the Four Seasons Hotel Macao, Cotai Strip™ ("Four Seasons Hotel Macao," which is managed by Four Seasons Hotels Inc.), and the Plaza Casino (together with the Four Seasons Hotel Macao, the "Four Seasons Macao") in Macau and the Sands Casino Resort Bethlehem in Bethlehem, Pennsylvania. LVSC's indirect majority-owned subsidiaries are also creating a master-planned development of integrated resort properties, anchored by The Venetian Macao, which LVSC refers to as the Cotai Strip™ in Macau.

22 6. In or about March 2009, Vagus and LVSC entered into a consulting agreement
23 (the “Vagus Consulting Agreement”) with LVSC to provide certain management and consulting
24 services to LVSC.

26 8. Pursuant to the Vagus Consulting Agreement, Vagus acknowledged the
27 confidential and highly sensitive nature of information and documents that it would be privy to
28 under the Agreement.

9. Specifically, the Vagus Consulting Agreement states:

Confidentiality

VGI understands that certain information received by and/or made available through LVS and/or its vendors, consultants and advisors is confidential and proprietary and may be restricted due to LVS public company status. VGI agrees that it will not disclose or use, and shall diligently protect and keep confidential all sensitive information received as part of or related to this project. All members of the VGI team assigned to LVS will execute and deliver any standard confidentiality / non-disclosure agreements as requested. This confidentiality provision shall survive the expiration and/or the termination of this agreement . . .

10. During the course and scope of the Vagus Consulting Agreement, Vagus and Jacobs obtained documents and information that is confidential, proprietary and/or subject to the attorney-client privilege and/or work product doctrine.

Jacobs Is Hired to Perform Work for VML and SCL.

11. In or about May 2009, Jacobs was asked to perform consulting work for Venetian Macau Limited ("VML"), an indirect subsidiary of LVSC which is now a subsidiary of Sands China Ltd. ("Sands China").

12. In connection with this work, Jacobs executed an Agreement for Services with VML whereby he would address "senior management issues" relating to VML's "business of developing, designing, constructing, equipping, staffing, owning and operating legalized casino(s) in Macau SAR."

13. The Agreement for Services states:

6. CONFIDENTIALITY AND OWNERSHIP OF WORKS. The Consultant agrees that neither it nor any of its employees, either during or after this Agreement, shall disclose or communicate to any third party any information about the Company's policies, prices, systems, methods of operation, contractual agreements or other proprietary matters concerning the Company's business or affairs, except to the extent necessary in the ordinary course of performing the Consultant's Services. Upon termination of this Agreement for any reason, all papers and documents in the Consultant's possession or under its control belonging to the Company, must be returned to the Company.

14. On or about July 15, 2009, Sands China was incorporated as a limited liability company in the Cayman Islands in preparation for listing on The Main Board of the Stock Exchange of Hong Kong Limited ("SEHK") in November 2009.

15. In July and August 2009, Jacobs negotiated certain employment terms, which

1 were set out in a term sheet. The term sheet was used in preparing a draft of an employment
2 agreement between Jacobs and VML, but that document was never finalized or executed.

3 16. In November 2009, LVSC's indirect majority-owned subsidiary, Sands China, the
4 direct or indirect owner and operator of Sands Macao, The Venetian Macao, Four Seasons
5 Macao and ferry operations, and developer of the remaining Cotai Strip integrated resorts,
6 completed an initial public offering of its ordinary shares (the "Sands China Offering") on the
7 SEHK.

8 17. Jacobs was appointed President – Macau and Chief Executive Officer of Sands
9 China.

10 18. During the course and scope of his work for VML and SCL, Jacobs obtained
11 documents and information that is confidential, proprietary and/or subject to the attorney-client
12 privilege and/or work product doctrine.

13 ***Jacobs' Employment Is Terminated by Sands China and VML for Cause.***

14 19. On or about July 23, 2010, the Board of Directors of Sands China voted to
15 remove Jacobs as President and Chief Executive Officer of Sands China and as a member of the
16 Sands China Board of Directors.

17 20. On July 23, 2010, Jacobs' employment with VML and Sands China was
18 terminated for cause because, among other things, he had repeatedly exceeded his authority,
19 defied and disregarded instructions, and engaged in several improper acts and omissions,
20 including but not limited to those identified above.

21 ***Jacobs Steals Confidential, Proprietary and Privileged Documents from LVSC and Then***
22 ***Refuses to Return Them.***

23 21. Based upon representations of his counsel, Jacobs stole and/or wrongfully
24 retained documents that were property of LVSC following his termination.

25 22. Such documents include material that is confidential, proprietary and/or subject to
26 the attorney-client privilege and/or work product doctrine.

27 23. Upon information and belief, the documents stolen and/or wrongfully retained by
28 Jacobs described sensitive compilations, methods, techniques, systems, and/or procedures

1 relating to gaming operations, personnel and labor and include proprietary, confidential and
2 material non-public financial information.

3 24. Furthermore, upon information and belief, the documents stolen and/or
4 wrongfully retained by Jacobs contain personal data that is subject to Macau's Personal Data
5 Protection Act, the violation of which carries criminal penalties in Macau.

6 25. Upon information and belief, Jacobs wrongfully removed such documents and
7 information on a consistent and regular basis from the time that he began his relationship with
8 LVSC until his termination.

9 26. In fact, LVSC is informed and believes that on the day he was terminated by
10 VML and SCL, Jacobs surreptitiously transferred several gigabytes of electronic documents and
11 files to a removable flash drive and removed the flash drive from the premises.

12 27. Jacobs was not authorized to retain such documents and information following his
13 termination.

14 28. LVSC has demanded that Jacobs return all LVSC documents; however, Jacobs
15 refuses to return company documents and information in his possession to LVSC.

16 **FIRST CLAIM FOR RELIEF**

17 **(Civil Theft/Conversion – Vagus and Jacobs)**

18 29. LVSC repeats and realleges each and every allegation contained in the preceding
19 paragraphs as though set forth fully herein.

20 30. Vagus and Jacobs wrongfully stole and converted to their own use personal
21 property that rightfully belongs to LVSC in the form of company documents and data, including
22 in electronic form.

23 31. As a result of the theft and conversion of personal property that rightfully belongs
24 to LVSC, LVSC has been damaged in an amount in excess of \$10,000.00.

25 32. As a result of their actions, Vagus and Jacobs are guilty of oppression, fraud, and
26 malice and in addition to actual and compensatory damages, LVSC is entitled to recover punitive
27 damages for the sake of example and by way of punishing Vagus and Jacobs.

28 33. It has become necessary for LVSC to retain the services of an attorney to

1 prosecute this action, entitling LVSC to reimbursement for such fees and costs of suit.

2 **SECOND CLAIM FOR RELIEF**

3 **(Misappropriation of Trade Secrets – NRS 600A – Vagus and Jacobs)**

4 34. LVSC repeats and realleges each and every allegation contained in the preceding
5 paragraphs as though set forth fully herein.

6 35. Upon information and belief, Vagus and Jacobs obtained trade secrets from
7 LVSC, including documents that reflect information that derives independent economic value
8 from not being generally known to, and not being readily ascertainable by proper means by, the
9 public or any other persons who can obtain commercial or economic value from its disclosure or
10 use.

11 36. Upon information and belief, these documents obtained by Vagus and Jacobs
12 described sensitive compilations, methods, techniques, systems, and/or procedures relating to
13 gaming operations, personnel and labor and include material non-public financial information of
14 LVSC and SCL.

15 37. LVSC made reasonable efforts to maintain the secrecy of trade secrets obtained
16 by Jacobs by, among other things, placing the word “Confidential” or “Private” or another
17 indication of secrecy on documents that describe or include any portion of the trade secret.

18 38. Vagus and Jacobs have stolen and/or wrongfully retained documents containing
19 LVSC trade secrets despite demands by LVSC for return of such documents.

20 39. Upon information and belief, Vagus and Jacobs have wrongfully copied,
21 duplicated, sent, mailed, communicated or conveyed documents containing trade secrets to
22 unauthorized third parties.

23 **THIRD CLAIM FOR RELIEF**

24 **(Injunctive Relief – Vagus and Jacobs)**

25 40. LVSC repeats and realleges each and every allegation contained in the preceding
26 paragraphs as though set forth fully herein.

27 41. As set forth above, Vagus and Jacobs have stolen and/or wrongfully retained
28 sensitive company documents from LVSC and have failed and refused to return the same.

1 42. Vagus' and Jacobs' actions are causing and will cause great and irreparable harm
2 to LVSC if not enjoined.

3 43. LVSC has a strong likelihood of success on the merits of its claims and is without
4 an adequate or immediate remedy at law for the actions of Vagus and Jacobs.

5 44. Accordingly, the Court should grant preliminary and permanent injunctive relief
6 compelling Vagus and Jacobs to immediately return all stolen and/or wrongfully retained
7 property of LVSC, including, but not limited to, all LVSC company documents.

8 45. Furthermore, the Court should restrain and enjoin Jacobs and his agents,
9 representatives, attorneys, affiliates, and family members from directly or indirectly, reviewing,
10 disclosing or transferring, or allowing the review, disclosure and/or transfer, of the documents
11 stolen by Jacobs and any information contained therein to any person or entity, whether in the
12 course of this litigation or in any other context whatsoever.

13 **PRAYER FOR RELIEF**

14 WHEREFORE, LVSC prays for judgment against Jacobs as follows:

15 1. For compensatory damages according to proof at trial, plus interest thereon at the
16 maximum legal rate;

17 2. For punitive damages;

18 3. For attorneys' fees and costs;

19 4. For a restraining order and mandatory injunction compelling Vagus and Jacobs to
20 immediately return all stolen and/or wrongfully retained property of LVSC, including, but not
21 limited to, all LVSC company documents.

22 ///

23 ///

24 ///

25 ///

26 ///

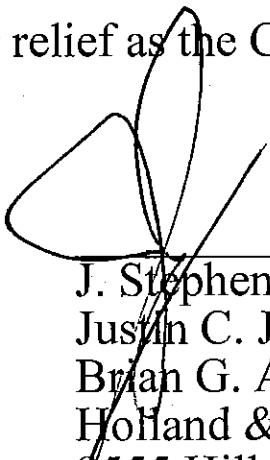
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28 ///

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

1 5. For such other and further relief as the Court deems just and proper.

2 DATED September 16, 2011.

3 
4 J. Stephen Peek, Esq.
5 Justin C. Jones, Esq.
6 Brian G. Anderson, Esq.
7 Holland & Hart LLP
8 9555 Hillwood Drive, 2nd Floor
9 Las Vegas, Nevada 89134

10 *Attorneys for Defendant Las Vegas Sands Corp.*

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

1 **IAFD**

2 J. Stephen Peek, Esq.
3 Nevada Bar No. 1759
4 Justin C. Jones, Esq.
5 Nevada Bar No. 8519
6 Brian G. Anderson, Esq.
7 Nevada Bar No. 10500
8 HOLLAND & HART LLP
9 9555 Hillwood Drive, 2nd Floor
10 Las Vegas, Nevada 89134
11 (702) 669-4600
12 (702) 669-4650 – fax
13 speek@hollandhart.com
14 jcjones@hollandhart.com

15 *Attorneys for Defendant Las Vegas Sands Corp.*

16 **DISTRICT COURT**

17 **CLARK COUNTY, NEVADA**

18 LAS VEGAS SANDS CORP., a Nevada
19 corporation,

20 Plaintiff,

21 v.

22 STEVEN C. JACOBS, an individual; VAGUS
23 GROUP, INC., a Delaware corporation; DOES I
24 through X and ROE CORPORATIONS XI
25 through XX;

26 Defendants.

CASE NO.:
DEPT NO.:

INITIAL APPEARANCE FEE
DISCLOSURE

NRS CHAPTER 19

27 Pursuant to NRS Chapter 19, as amended by Senate Bill 106, filing fees are submitted for
28 parties appearing in the above-entitled action as indicated below:

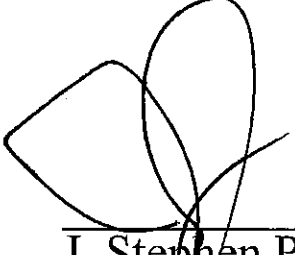
29 LAS VEGAS SANDS CORP.,
30 a Nevada corporation

\$1,530.00

31 TOTAL REMITTED

\$1,530.00

32 DATED September 16, 2011.

33 
34 J. Stephen Peek, Esq.
35 Justin C. Jones, Esq.
36 Brian G. Anderson, Esq.
37 Holland & Hart LLP
38 9555 Hillwood Drive, 2nd Floor
39 Las Vegas, Nevada 89134
40 *Attorneys for Defendant Las Vegas Sands Corp.*

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

1 **MPRI**
2 J. Stephen Peck, Esq.
3 Nevada Bar No. 1759
4 Justin C. Jones, Esq.
5 Nevada Bar No. 8519
6 Brian G. Anderson, Esq.
7 Nevada Bar No. 10500
8 HOLLAND & HART LLP
9 9555 Hillwood Drive, 2nd Floor
10 Las Vegas, Nevada 89134
11 (702) 669-4600
12 (702) 669-4650 – fax
13 speek@hollandhart.com
14 icjones@hollandhart.com
15 bganderson@hollandhart.com

16 *Attorneys for Las Vegas Sands Corp.*

DISTRICT COURT
CLARK COUNTY, NEVADA

17 LAS VEGAS SANDS CORP., a Nevada
18 corporation,

19 Plaintiff,

20 v.

21 STEVEN C. JACOBS, an individual; VAGUS
22 GROUP, INC., a Delaware corporation; DOES I
23 through X and ROE CORPORATIONS XI
24 through XX;

25 Defendants.

CASE NO.: A-11-648484-B
DEPT NO.: XI

Date:
Time:

**LAS VEGAS SANDS CORP.'S EX PARTE
MOTION FOR TEMPORARY
RESTRAINING ORDER AND
PRELIMINARY INJUNCTION OR IN
THE ALTERNATIVE FOR
PROTECTIVE ORDER**

26 Plaintiff Las Vegas Sands Corp. ("LVSC") hereby brings the following *Ex Parte* Motion
27 for Temporary Restraining Order and Preliminary Injunction or in the Alternative for Protective
28 Order (the "Motion"). This Motion is made pursuant to NRCP 65, NRS 33.010, NRS 600A.040,
and, alternatively, NRCP 26(c) and is based upon the attached

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///

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CLERK OF THE COURT

1 memorandum of points and authorities, the papers and pleadings on file in this matter, and any
2 oral argument that the Court may allow.

3 DATED September 16, 2011.

4 
5 J. Stephen Peek, Esq.
6 Justin C. Jones, Esq.
7 Brian G. Anderson, Esq.
8 Holland & Hart LLP
9 9555 Hillwood Drive, 2nd Floor
10 Las Vegas, Nevada 89134

11 *Attorneys for Las Vegas Sands Corp.*

12 **APPLICATION FOR ORDER SHORTENING TIME**

13 Plaintiff Las Vegas Sands Corp. ("LVSC") hereby moves for an order shortening time for
14 hearing its *Ex Parte* Motion for Temporary Restraining Order and Preliminary Injunction or in the
15 Alternative for Protective Order (the "Motion"). This request for an order shortening time is
16 made pursuant to EDCR 2.26 and is based on the Declaration of Justin C. Jones, Esq. below.

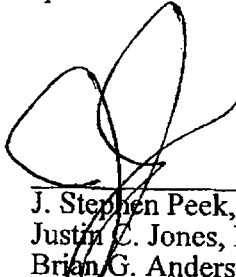
17 Defendant Steve Jacobs' ("Jacobs") counsel recently revealed that Jacobs was in
18 possession of approximately 11 gigabytes of documents, which include (as admitted by Jacobs'
19 own counsel) documents containing attorney-client privileged communications between LVSC
20 and its counsel. In response to this revelation, LVSC demanded that Jacobs immediately return
21 all such documents and not provide any such documents to third parties. However, to date,
22 Jacobs has failed and refused to return company documents to LVSC and, further, will not
23 commit to refusing to provide such stolen documents to third parties. On August 1, 2011, the
24 parties conducted further meet and confer discussions telephonically regarding return of company
25 documents in Jacobs' possession. During the telephone conference, Jacobs' counsel represented
26 that Jacobs would not return LVSC documents and would not commit that he would not provide
27 such documents to third parties. Absent a temporary restraining order, preliminary injunction,
28 and/or protective order, there is an immediate risk that Jacobs will disclose LVSC company
documents that contain information that is confidential, sensitive, and/or subject to the attorney-
client privilege to third parties who are not entitled to such documents and information. These

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

1 documents are also subject to express confidentiality policies and the Macau Personal Data
2 Protection Act. In light of all of the foregoing, LVSC is now forced to bring this Motion in order
3 to ensure that Jacobs and his agents, representatives, attorneys, affiliates, and family members do
4 not review or disclose such confidential and privileged materials.

5 Accordingly, LVSC respectfully requests that this Court hear its Motion on an order
6 shortening time as soon as possible.

7 DATED September 16, 2011.



J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

Attorneys for Las Vegas Sands Corp.

**DECLARATION OF JUSTIN C. JONES, ESQ. IN SUPPORT OF
APPLICATION FOR ORDER SHORTENING TIME**

I, Justin C. Jones, Esq., hereby declare as follows:

1. I am a partner with the law firm of Holland & Hart, LLP, counsel for Plaintiff Las Vegas Sands Corp. ("LVSC"). I am duly admitted to practice law in the State of Nevada. I have personal knowledge of the matters stated herein and would be competent to testify thereon if called upon to do so.

2. There exists good cause to hear LVSC's Motion for Temporary Restraining Order and Preliminary Injunction or in the Alternative for Protective Order (the "Motion") on shortened time.

3. Defendant Steve Jacobs' ("Jacobs") counsel recently revealed that Jacobs was in possession of approximately 11 gigabytes of documents, which include (as admitted by Jacobs' own counsel) documents containing attorney-client privileged communications between LVSC and its counsel.

4. In response to this revelation, LVSC demanded that Jacobs immediately return all such documents and not provide any such documents to third parties. However, to date, Jacobs has failed and refused to return company documents to LVSC and, further, will not commit to refusing to provide such stolen documents to third parties.

5. On August 1, 2011, the parties conducted further meet and confer discussions telephonically regarding return of company documents in Jacobs' possession. During the telephone conference, Jacobs' counsel represented that Jacobs would not return LVSC documents and would not commit that he would not provide such documents to third parties.

6. Absent a temporary restraining order, preliminary injunction, and/or protective order, there is an immediate risk that Jacobs will disclose LVSC company documents that contain information that is confidential, sensitive, and/or subject to the attorney-client privilege, confidentiality policies, and or the Macau Personal Data Protection Act who are not entitled to such documents and information.

1 7. Given all of the foregoing, as well as the fact that Jacobs recently announced that
2 he intends to substitute his present counsel of record in this action, LVSC is now forced to bring
3 this Motion in order to ensure that neither Jacobs, his present counsel of record, nor his
4 anticipated new counsel of record disclose such confidential and privileged materials.

5 8. Accordingly, LVSC respectfully requests that this Court hear its Motion on an
6 order shortening time.

7 9. I declare under penalty of perjury under the laws of the State of Nevada that the
8 foregoing is true and correct.

9 DATED this 16th day of September, 2011.

10
11 
12 JUSTIN C. JONES

13
14
15 **ORDER SHORTENING TIME**

16 Upon the application of Plaintiff Las Vegas Sands Corp. ("LVSC") for an Order
17 Shortening Time to hear its *Ex Parte* Motion for Temporary Restraining Order and Preliminary
18 Injunction or in the Alternative for Protective Order (the "Motion"), and good cause appearing
19 therefore,

20 IT IS HEREBY ORDERED that LVSC's request for an Order Shortening Time to hear
21 the Motion is granted, and said Motion shall be heard on the ____ day of September, 2011, at the
22 hour of _____ a.m./p.m.

23 DATED this ____ day of September, 2011.

24
25
26 DISTRICT COURT JUDGE
27
28

MEMORANDUM OF POINTS AND AUTHORITIES

I.

INTRODUCTION

For some time, LVSC suspected that Plaintiff Steve Jacobs ("Jacobs") had stolen sensitive and/or privileged company documents from LVSC as well as its indirect subsidiaries Sands China Ltd. ("SCL") and Venetian Macau Limited ("VML"). LVSC's suspicions were born out recently when Plaintiff's counsel revealed and explicitly admitted that Jacobs had in his possession approximately eleven gigabytes of documents taken from LVSC, SCL and/or VML, including documents that Jacobs admitted were subject to the attorney-client privilege and should be returned to LVSC. LVSC immediately demanded that Jacobs return the documents stolen by Jacobs; however, after initially agreeing to produce certain privileged documents, Jacobs now refuses to return any documents to LVSC and, most importantly for this Motion,¹ *refuses to state that he will not provide the stolen documents to third parties*. Despite good faith attempts to meet and confer with opposing counsel, including Jacobs' new counsel,² LVSC has no choice but to bring the instant motion seeking a temporary restraining order and preliminary injunction barring Jacobs, Vagus, and their agents, affiliates, representatives and family members from reviewing, producing, or disseminating stolen company documents and information to third parties. Absent a TRO and preliminary injunction, LVSC risks severe irreparable harm from any disclosure of sensitive and privileged information. In the alternative, LVSC seeks a protective order barring Jacobs from disseminating stolen company documents and information to third parties, including, but not limited to having any of his agents and representative, including his attorneys, review these improperly retained documents.

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¹ LVSC previously brought a Motion for Protective Order and for Return of Stolen Documents, which Motion is to be heard on October 18, 2011. That Motion focuses on Jacobs' need to return stolen documents rather than producing the same in this litigation in the ordinary course of discovery.

² Jacobs has announced that he intends to substitute new counsel of Pisanelli Bice in a related pending lawsuit entitled Jacobs v. Las Vegas Sands Corp, et al., Case No. A6427691-B. Though Mr. Pisanelli has advised LVSC's counsel that he will be substituting in as Jacobs' counsel, no substitution has yet been filed.

II.

STATEMENT OF FACTS

In or about March 2009, Vagus Group, Inc. ("Vagus") and LVSC entered into a consulting agreement (the "Vagus Consulting Agreement") with Vagus to provide certain management and consulting services to LVSC. A true and correct copy of the Vagus Consulting Agreement is attached hereto as **Exhibit "A."** The Vagus Consulting Agreement was authored by and executed by Jacobs. *Id.* Pursuant to the Vagus Consulting Agreement, Vagus acknowledged the confidential and highly sensitive nature of information and documents that it would be privy to under the Agreement. Specifically, the Vagus Consulting Agreement states:

Confidentiality

VGI understands that certain information received by and/or made available through LVS and/or its vendors, consultants and advisors is confidential and proprietary and may be restricted due to LVS public company status. VGI agrees that it will not disclose or use, and shall diligently protect and keep confidential all sensitive information received as part of or related to this project. All members of the VGI team assigned to LVS will execute and deliver any standard confidentiality / non-disclosure agreements as requested. This confidentiality provision shall survive the expiration and/or the termination of this agreement

Id. During the course and scope of the Vagus Consulting Agreement, Vagus and Jacobs obtained documents and information that are confidential, proprietary and/or subject to the attorney-client privilege and/or work product doctrine. *See* Declaration of Kenneth J. Kay, attached hereto as **Exhibit "B."** In addition, as the former CEO of SCL, an indirect majority-owned subsidiary of LVSC, and its subsidiary, VML, Jacobs obtained additional documents and information from LVSC that are confidential, proprietary and/or subject to the attorney-client privilege and/or work product doctrine. *Id.*

After litigation commenced in this matter, Jacobs was asked by SCL's counsel to return all company property. *See, e.g.,* November 23, 2010 Letter, attached hereto as **Exhibit "C;"** January 7, 2011 Letter, attached hereto as **Exhibit "D."** Jacobs, however, claimed that he had not stolen any documents. *See, e.g.,* November 30, 2010 Letter, attached hereto as **Exhibit "E."**

However, contrary to Jacobs' prior statements, Jacobs' counsel recently revealed that Jacobs was in possession of approximately 11 gigabytes of documents, which include (as

1 admitted by Jacobs' own counsel) documents containing attorney-client privileged
2 communications between LVSC and its counsel. See July 8, 2011 Email, attached hereto as
3 **Exhibit "F."** In response to this revelation, LVSC demanded that Jacobs immediately return all
4 such documents and not provide any such documents to third parties. See Declaration of Justin C.
5 Jones, attached hereto as **Exhibit "G."** However, to date, Jacobs has failed and refused to return
6 company documents to LVSC and, further, will not commit to refusing to provide such stolen
7 documents to third parties.

8 On August 1, 2011, the parties conducted further meet and confer discussions
9 telephonically regarding return of company documents in Jacobs' possession. During the
10 telephone conference, Jacobs' counsel represented that:

- 11 1. Jacobs and his counsel are in possession of documents which Jacobs acquired
12 during the course of his employment.
- 13 2. These documents include material that may be subject to the attorney-client
14 privilege.
- 15 3. Jacobs does not believe that he is bound to keep confidential those documents
16 obtained during the course of his employment because he asserts that he did not
17 sign any confidentiality policy or other document containing a confidentiality
18 provision.
- 19 4. Jacobs believes that Macau data privacy laws do not prohibit him from disclosing
20 documents in this matter and that Macau data privacy laws are being used by
21 Defendants as a "farical canard" to avoid disclosure of documents.
- 22 5. Based upon the foregoing, Jacobs refused to comply with the request for return of
23 documents obtained during the course of his employment and *refused even to*
24 *commit that he would not provide such documents to third parties.*

25 See Jones Decl., Ex. D; see also August 2, 2011 Letter, attached hereto as **Exhibit "H."** In
26 subsequent correspondence, Jacobs' counsel stated, "We are also unable to represent that Steve
27 [Jacobs] has not or will not provide any of the documents to certain third parties." See letter from
28 J. Colby Williams to Justin C. Jones dated August 3, 2011 attached hereto as **Exhibit "I."**

III.

LEGAL ARGUMENT

A. *The Court Should Issue a Temporary Restraining Order and Preliminary Injunction Restraining and Enjoining Jacobs from Disseminating LVSC Company Documents to Third Parties.*

1. **Standard for Issuance of Temporary Restraining Order/Preliminary Injunction.**

Rule 65 of the Nevada Rules of Civil Procedure and NRS 33.010 govern the issuance of injunctions. As the Nevada Supreme Court has explained, injunctions are issued to protect plaintiffs from irreparable injury and to preserve the court's power to render a meaningful decision after a trial on the merits. *See Ottenheimer v. Real Estate Division*, 91 Nev. 338, 535 P.2d 1284 (1975). A temporary restraining order or preliminary injunction may be granted "when it appears by the complaint that the plaintiff is entitled to the requested relief, and such relief or any part thereof consists in restraining the commission or continuance of the act complained of, either for a limited period or perpetually." NRS 33.010. Generally, "[a] preliminary injunction is available if an applicant can show a likelihood of success on the merits and a reasonable probability that the non-moving party's conduct, if allowed to continue, will cause irreparable harm for which compensatory damage is an inadequate remedy." *Dangberg Holdings Nevada, L.L.C. v. Douglas County*, 115 Nev. 129, 142, 978 P.2d 311, 319 (1999) (citing *Pickett v. Comanche Construction, Inc.*, 108 Nev. 422, 426, 836 P.2d 42, 44 (1992)). The court may also consider the balance of hardships between the parties. *See Clark Cty. Sch. Dist. v. Buchanan*, 112 Nev. 1146, 924 P.2d 716 (1996).

The decision whether to grant a preliminary injunction is within the sound discretion of the district court, whose decision will not be disturbed on appeal absent an abuse of discretion. *Number One Rent-A-Car v. Ramada Inns*, 94 Nev. 779, 781, 587 P.2d 1329, 1330 (1978). The Court may properly enter an injunction to restore the status quo and to undo wrongful conditions. *Memory Gardens of Las Vegas, Inc. v. Pet Ponderosa Memorial Gardens, Inc.*, 88 Nev. 1, 492 P.2d 123, 124 (1972); *Leonard v. Stoebling*, 102 Nev. 543, 728 P.2d 1358, 1363 (1986).

2. **LVSC Is Likely to Succeed on the Merits of Its Claims Relating to Jacobs' Theft of Documents from LVSC.**

a. *Jacobs Wrongfully Converted LVSC's Documents.*

LVSC is likely to prevail on its claim for civil theft/conversion. Conversion is "a distinct act of dominion wrongfully exerted over another's personal property in denial of, or inconsistent with his title or rights therein or in derogation, exclusion, or defiance of such title or rights." *Evans v. Dean Witter Reynolds, Inc.*, 116 Nev. 598, 606, 5 P.3d 1043, 1048 (2000) (quoting *Wantz v. Redfield*, 74 Nev. 196, 198, 326 P.2d 413, 414 (1958)). Further, civil theft/conversion is an act of general intent, which does not require wrongful intent and is not excused by care, good faith, or lack of knowledge. *Id.* at 606, 5 P.3d at 1048.

Here, Jacobs stole from LVSC and its indirect subsidiaries, VML and SCL, approximately 11 gigabytes of documents. *See* Ex. F. Now that Jacobs has been terminated from any position or role with LVSC, SCL or VML, he has no title or right to retain LVSC company documents. LVSC asked Jacobs to return the documents he took; however, to date, Jacobs has failed to return any documents to LVSC. *See* Exs. G, H. There can be no question that Jacobs gained access to documents, then wrongfully exerted dominion over the documents, even after he was terminated from any relationship with LVSC, SCL or VML. Accordingly, LVSC will suffer irreparable harm if Jacobs is not restrained and enjoined from disclosing confidential, sensitive and potentially privileged document and information to third parties.

b. *LVSC Is Likely to Prevail on Its Misappropriation of Trade Secrets Claim.*

LVSC is also likely to prevail on its misappropriation of trade secrets claim. The elements of a misappropriation of trade secrets claim include: (1) a valuable trade secret; (2) misappropriation of the trade secret through use, disclosure, or nondisclosure of use of the trade secret; and (3) the requirement that the misappropriation be wrongful because it was made in breach of an express or implied contract or by a party with a duty not to disclose. *Frantz v. Johnson*, 116 Nev. 455, 466, 999 P.2d 351, 358 (2000). Where misappropriation is threatened, NRS 600A provides for injunctive relief to stop the conduct. *See* NRS 600A.040(1).

Here, there is little question that among the 11 gigabytes of documents and electronic

1 material stolen by Jacobs, there are likely many valuable trade secrets that any of LVSC's
2 competitors would like to access. Jacobs' conduct is wrongful because he and Vagus had
3 contractual obligations to keep all documents and information confidential and a duty thereunder
4 not to disclose such documents to third parties. *See* Ex. A. There is at present a credible and
5 serious threat that Jacobs will release the confidential documents and information to third parties,
6 as he refuses to commit not to disclose such documents. *See* Ex. H. As such, under NRS
7 600A.040, injunctive relief is appropriate to restrain Jacobs from disclosing such sensitive
8 material to third parties.

9
10 **3. LVSC Has Suffered and Will Continue to Suffer Irreparable Harm Absent
Imposition of a Temporary Restraining Order and Preliminary Injunction.**

11 With respect to the requirement of establishing irreparable harm, the Nevada Supreme
12 Court has held that "[g]enerally, harm is 'irreparable' if it cannot adequately be remedied by
13 compensatory damages." *Hamm v. Arrowcreek Homeowners' Ass'n*, 124 Nev. 28, 183 P.3d 895,
14 901 (2008) (citing *Univ. Sys. v. Nevadans for Sound Gov't*, 120 Nev. 712, 721, 100 P.3d 179, 187
15 (2004)) (emphasis added). Courts have recognized that "an injury is not fully compensable by
16 money damages if the nature of the plaintiff's loss would make damages difficult to calculate."
17 *Basicomputer Corp. v. Scott*, 973 F.2d 507, 511 (6th Cir. 1992).

18 Here, there is no question that LVSC has suffered and will continue to suffer irreparable
19 harm if Jacobs continues to disclose documents to third parties. While LVSC is unaware of all
20 that Jacobs stole, his counsel has already admitted that the 11 gigabytes of data includes attorney-
21 client privileged material. *See* Ex. F. Under Nevada law, a "client has a privilege to refuse to
22 disclose, and to prevent any other person from disclosing, confidential communications between
23 the client or the client's representative and the client's lawyer or the representative of the client's
24 lawyer ... [m]ade for the purpose of facilitating the rendition of professional legal services to the
25 client, by the client or the client's lawyer to a lawyer representing another in a matter of common
26 interest." NRS 49.095. A corporation is entitled to assert the attorney-client privilege through its
27 management. *Montgomery v. eTreppid Technologies, LLC*, 548 F. Supp. 2d 1175, 1183 (D. Nev.
28 2008) (citing *Commodity Futures Trading Commission v. Weintraub*, 471 U.S. 343, 348 (1985)).

1 Once a director or officer has left the company “his right to access attorney-client privileged
2 documents terminate[s].” *Id.* (citing *Dexia Credit Local v. Rogan*, 231 F.R.D. 268, 277 (N.D. Ill.
3 2004). Here, LVSC is the proper party to assert the attorney-client privilege regarding disclosure
4 of any LVSC company documents stolen by Jacobs. *Montgomery*, 548 F. Supp. 2d at 1183.
5 Disclosure of privileged material by one not entitled to do constitutes irreparable harm. *U.S. v.*
6 *Philip Morris Inc.*, 314 F.3d 612, 622 (D.C. Cir. 2003) (“[T]he general injury caused by the
7 breach of the attorney-client privilege and the harm resulting from the disclosure of privileged
8 documents to an adverse party is clear enough.”).

9 If Jacobs was ever an employee of LVSC, which LVSC disputes, he is certainly not an
10 employee now. Absent any right to access privileged documents, Jacobs must be barred from
11 revealing privileged documents and information to third parties. The fact that Jacobs’ counsel has
12 already improperly viewed attorney-client privileged material is justification alone for imposition
13 of a restraining order and preliminary injunction. If Jacobs and his counsel are not immediately
14 restrained and enjoined, LVSC will be subjected to severe prejudice that could not be corrected if
15 Jacobs improperly discloses documents and information that is protected from disclosure under
16 the applicable privileges.³

17 LVSC is also likely to suffer irreparable harm from disclosure of its stolen documents to
18 third parties because such disclosure may violate the Macau Personal Data Protection Act
19 (“Macau Act”). The Macau Act governs “retrieval, consultation, use, disclosure by transmission,
20 dissemination or otherwise making available” personal information. *See* Art. 4, Sec. 1(3) of the
21 Macau Act, a copy and translation of which are attached hereto as **Exhibit “J.”** “Personal data”
22 is interpreted very broadly to include:

23 any information of any type . . . relating to an identified or identifiable natural
24 person (“data subject”); an identifiable person is one who can be identified,
25 directly or indirectly, in particular by reference to an indication number or to one
or more factors specific to his physical, physiological, mental, economic, cultural
or social identity.

26 ³ Jacobs’ counsel of Campbell & Williams previously represented to LVSC’s counsel that they had terminated review
27 of documents and would not review documents as a result of the discovery of privileged material. Jacobs has advised
28 LVSC’s counsel that he has retained new counsel of Pisanelli Bice, though a substitution of counsel has not been
filed to date. LVSC’s counsel has placed Pisanelli Bice on notice that review of such documents would be improper
and would subject them to challenge and potential disqualification.

1 *Id.* at Art. 4, Sec. 1(1). Pursuant to the Macau Act, personal data may not be transferred outside
2 of Macau except with unambiguous written consent of the data subject and provided the legal
3 system in the destination to which they are transferred ensures an adequate level of protection,
4 except in other limited circumstances that do not apply here. *Id.* at Art. 6, 19. Anyone who
5 violates the Macau Act “shall be liable to up to one year’s imprisonment or a fine of up to 120
6 days.” *Id.* at Art. 37.

7 Here, LVSC has serious concerns that Jacobs has disclosed, and will continue to disclose,
8 company documents to third parties that contain personal data in violation of Macau law. The
9 Macau Act provides for serious sanctions in such circumstances, sanctions which could
10 potentially be levied against LVSC and/or its indirect subsidiaries, SCL and VML. Accordingly,
11 LVSC will suffer severe irreparable harm if Jacobs is not restrained and enjoined from disclosing
12 company documents to third parties.

13 ***B. In the Alternative, the Court Should Issue a Protective Order Barring Jacobs from***
14 ***Disclosing LVSC Company Documents to Third Parties.***

15 In the alternative, the Court should issue a protective order barring Jacobs from disclosing
16 stolen LVSC documents and information to third parties. NRCP 26(c) allows a party to move for
17 a protective order for good cause. Specifically, under NRCP 26(c) and upon a showing of good
18 cause: “[T]he court . . . may make any order which justice requires to protect a party or person
19 from annoyance, embarrassment, oppression, or undue burden or expense, including one or more
20 of the following: (1) that the discovery not be had; . . . [or] (7) that a trade secret or other
21 confidential research, development, or commercial information not be revealed or be revealed
22 only in a designated way.” The trial court has full discretion to grant protective orders for good
23 cause, balancing the need for the information against the injury that might result if disclosure is
24 ordered. *Brown Bag Software v. Symantec Corp.*, 960 F.2d 1465, 1470 (9th Cir. 1992); *Heublein,*
25 *Inc. v. E & J Gallo Winery, Inc.*, 1995 WL 168846 at *2 (S.D.N.Y. April 4, 1995). Courts have
26 broadly interpreted NRCP 26(c) and its federal equivalent to permit a protective order over a wide
27 variety of documents and information. This includes customer lists and customer purchasing
28 habits, pricing information, and sales techniques (*Star Scientific, Inc. v. Carter*, 204 F.R.D. 410

1 (S.D. Ind. 2001); compliance policies and procedures (*Dubai Islamic Bank v. Citibank, N.A.*, 211
2 F. Supp. 2d 447 (S.D. N.Y. 2001)); company manuals (*Gohler v. Wood*, 162 F.R.D. 691 (D. Utah
3 1995)); personnel and labor records (*Miles v. Boeing Co.*, 154 F.R.D. 112 (E.D. Pa. 1994).
4 Where disclosure would present risks of competitive harm, courts have not hesitated to deny
5 access to confidential information or to limit how the material is disclosed. *See, e.g., F.T.C. v.*
6 *Exxon Corp.*, 636 F.2d 1336, 1349-51 (D.C. Cir. 1980); *Brown Bag Software*, 960 F.2d at 1471;
7 *Heublein, Inc.*, 1995 WL 168846 at *3.

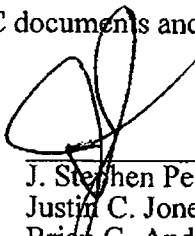
8 As described above, Jacobs stole or wrongfully retained sensitive company documents
9 belonging to LVSC after his consulting contract with LVSC ended and his employment with
10 VML was terminated. These documents include information that likely contain trade secrets,
11 confidential research, commercial information and/or is subject to the attorney-client privilege.
12 Accordingly, there is good cause for the Court to impose a protective order barring Jacobs,
13 Vagus, and their agents, affiliates, attorneys, and family members from reviewing or disclosing to
14 third parties, or allowing others to review or disclose to third parties, documents and information
15 taken and retained without authorization from LVSC and its indirect subsidiaries.

16 IV.

17 CONCLUSION

18 For the foregoing reasons, LVSC hereby requests that the Court grant its *Ex Parte* Motion
19 for Temporary Restraining Order and Preliminary Injunction or in the Alternative for Protective
20 Order barring Jacobs from revealing LVSC documents and information to third parties.

21 DATED September 16, 2011.

22 
23 J. Stephen Peek, Esq.
24 Justin C. Jones, Esq.
25 Brian G. Anderson, Esq.
26 Holland & Hart LLP
27 9555 Hillwood Drive, 2nd Floor
28 Las Vegas, Nevada 89134

Attorneys for Las Vegas Sands Corp.

EXHIBIT A

VGI

TO Helen Riley
FOR SBA
702-733-5620

March 14, 2009

Mike Leven
President and COO
Las Vegas Sands Corporation
3355 Las Vegas Boulevard South
Las Vegas, NV 89109

Dear Mike:

Thank you for the opportunity to assist you in implementing the cost reduction and turn around plan for Las Vegas Sands. Expectations for your two year appointment are high and the challenges are great. Analysts call for the economic recovery to be delayed until mid to late 2010, and inflation due excess liquidity is likely to follow. Economic havens, including China, are down grading their outlook. And pending legislation, including the card program, could significantly impact business. That being said, the global economy will recover, and those companies that focus on what they can control – costs, capital and debt – will emerge stronger and in a more sustainable position.

As you well know, your first 180 days are critical to establishing the pace, direction and, most importantly, the culture you intend to leave behind. Having worked with you on numerous occasions, we are well aware of the signature you leave and the culture you instill. Our goal is to help you accelerate the leadership transition and to assist you in realizing the \$470M of identified savings... as well as any additional savings that may yet be undiscovered.

I am planning on joining you April 1, and as requested, I have cleared my calendar for the next six months. Following is a high level overview of our assignment. Additional detail and specific focus areas will be further delineated after our first two to three weeks onsite.

As always, should you wish to discuss or amend any items, please do not hesitate to call.

Scope

Based on our discussions, our efforts will be focused in three primary and overlapping areas.

1. Accelerating the Leadership Transition and the New Management Culture

I will work, at your direction, to help you develop and launch your "Go Forward" transition plan which will prioritize objectives and guide managements' time and expenditures over the next 60, 90 and 180 days. Success requires that the right critical issues be identified early and that effort towards non-critical path items are curtailed or eliminated. Early wins provide momentum and as the transition is to be multi-phased, a portfolio approach will minimize distractions due to non-identified issues or delays.

Once a short list has been agreed, we can then begin molding the organization and support systems to accelerate performance. If done properly, the transition plan can also serve as an internal and external scorecard for the organization and its management.

Anticipated work steps include:

- Review debt covenants, work papers and presentations detailing key operational, financial and strategic imperatives
- Review 2009 operating plans, budgets
- Review pre-opening and opening plans and budgets for Bethlehem and Singapore
- Analyze 2009 and out year capital expense, including repair and maintenance (R&M)
- Assimilate project updates and major milestones regarding major projects
- Compile and assess internal management reports to identify tracking capabilities and alignment with strategic / operational objectives
- Review and, as directed, revise / propose near term policies and procedures to conserve capital and minimize expense. This may include areas such as:
 - Project capital expenditure
 - R&M authorization
 - New hires, transfers and use of temporary labor
 - Travel and entertainment policies
 - Third party contracting
 - Telecommunications
 - Purchasing / spending authorization limits
- In conjunction with the President and COO revise the transition plan including:
 - Priority focus areas for each functional and geographic group
 - Key initiatives within each functional and geographic area
 - Key success factors and metrics by which success will be judged
- Review and incorporate senior management input regarding timing, staffing and resource requirements relating to implementation of the plan
- Review and revise, as necessary, tracking and reporting to ensure visibility and real time monitoring of progress. Note: This may or may not include an intranet dashboard.

- Publish and distribute the plan as directed. In past assignments, the document has been the basis for board and executive committee review. In others, the plan has been summarized and a one page "Go Forward Plan" has been distributed to the employee base at large and used as the foundation communications during the transition process.

2. Reducing Run Rate Operating Costs

LVS senior management has identified over \$470M in run rate savings, the majority of which appear to be tied to salary, wages and benefits. Working in conjunction with your cost reduction team, we will manage the implementation to ensure rapid and cost effective reductions in both the U.S. and Asian operations. It is understood and agreed that I will be working closely with Ken and select staff and that you will have day to day involvement and oversight into all aspects of our work.

Major works steps anticipated include:

- Review existing plans relating to organizational savings and impacts to cost and revenue centers
- Analyze existing corporate, entity and departmental organizations to assess spans of control, reporting hierarchies and potential areas for consolidation
- Review recently conducted activity value analysis to assess functional efficiency, opportunities for re-engineering and impacts of proposed restructuring on up or down stream linked activities
- Compile existing labor and load management practices related to scheduling variable labor (e.g. f&b staff to covers, dealers to tables, etc.)
- Conduct review sessions to prioritize and sequence proposed changes.
- Agree to change management procedures
- Propose and agree on new processes for approvals / authorization
- Identify and assign contractual and / or governmentally required notification processes and procedures
- Identify and retain key performers
- Perform risk assessment of critical path functions and operations to ensure continuity of operations throughout the down sizing
- Develop back-up and contingency plans for critical path processes (financial reporting, systems, gaming maintenance, etc.) and customer, labor and press related functions
- Develop pre, post and announcement day implementation plans. Note: Savings tied to "early wins" may favor multiple announcements at the departmental and entity level verses a one time company wide event.
- Build and maintain the war room. Note: May or may not be online.
- Participate in the announcements as required
- Coordinate reporting and tracking of reorganization progress
- Coordinate tracking of actual to run rate forecasted savings

- Participate in audits / read outs of audits of new process and procedures to ensure realization of headcount, capital and expense reductions
- Troubleshoot post reorganization procedures, processes and operations to minimize operational disruption

3. Identifying and Capturing Additional Savings

On an as agreed basis, we will prioritize and review additional functions and / or areas of operations that you believe hold additional opportunities for re-engineering and / or optimization. While the target list has not yet been identified, it is anticipated to include at least one or two major functional processes and / or groups for which a detailed analysis has been performed. This may include areas relating to back of house operations, information technology, call center operations and / or food and beverage. The methodology and approach will be appropriate to reflect the work done to date. Should a full analysis / due diligence materially increase scope, in keeping with our past assignments and our relationship, VGI and LVS will discuss scope and fees.

Timing, Staffing and Fees

Given the importance of your first 180 days, I will assume overall project responsibility and will become a dedicated resource for you and your team for the six month duration of this assignment. As requested, my CV is attached. Leanne Murdoch, Chris Tessone and/or other VGI associates will be used on an as needed basis. We are prepared to commence work April 1, 2009.

Professional service fees for this assignment will be \$52k per month. Travel and out of pocket expenses will be billed at cost and will include, but is not limited to, items such as airfare, food, lodging, telecommunications and supplies. Invoices are due and payable on the first of each month and sent to:

Vagus Group, Inc.
979 Valley Crest Drive
Atlanta, Ga 30327

To minimize costs, I will travel with you from Atlanta to LV and China as schedules and deliverables allow. It is anticipated that we will be onsite Monday through Friday each week and that lodging will be provided.

Term and Termination Provisions

The term of this contract will be six months, commencing April 1 and ending September 30, 2009, unless mutually extended by both parties. In keeping with our long standing relationship, should any material changes in scope necessitate an increase or reduction in fees, they will be openly discussed, mutually and reasonably agreed.

This agreement can be cancelled at any time by LVS with 60 days written notice. Should LVS choose to cancel this agreement prior to the end of the contract without cause, fees and expenses would be due and payable through the last day of the notice period.

VGI agrees to accept and perform this assignment on a "best efforts" basis. Should VGI fail to meet its obligations, LVS agrees to notify VGI in writing of any and all deficiencies. Should said deficiencies not be corrected within 30 calendar days to LVS' reasonable satisfaction, LVS will have the right to terminate VGI services for cause. Should this occur, all fees and expenses will be due and payable through the last day worked.

Indemnification

Each party agrees to indemnify, defend and hold harmless the other party, its officers, directors and employees and each of its parent and subsidiaries and each of their respective officers, directors and employees against all out of pocket losses actually incurred as a result of gross negligence or willful misconduct of the indemnifying party or its agents or employees in connection with the terms of this agreement. This indemnification provision shall survive the expiration of this agreement. Except in the case of its gross negligence or willful misconduct, it is understood and agreed that VGI's total liability irrespective of cause, event, actual or perceived damage amounts will be limited to the Professional Service Fees paid.

Confidentiality

VGI understands that certain information received by and/or made available through LVS and/or its vendors, consultants and advisors is confidential and proprietary and may be restricted due to LVS public company status. VGI agrees that it will not disclose or use, and shall diligently protect and keep confidential all sensitive information received as part of or related to this project. All members of the VGI team assigned to LVS will execute and deliver any standard confidentiality / non disclosure agreements as requested. This confidentiality provision shall survive the expiration and/or the termination of this agreement and will in accordance with any governmental and or SEC restrictions.

Dispute Resolution

In the unlikely event that any dispute related to this project should arise between the parties, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and out of pocket expenses actually incurred. All work will be performed on a "best efforts" basis and LVS hereby agrees not to withhold to VGI the necessary information, approvals, support, authority, funding, reimbursement and resources necessary to accomplish the tasks contemplated under this proposal.

Acceptance

On behalf of VGI, we look forward to working with you and your team to transform LVS. We are confident that our efforts within the first 90 - 120 days will be significant and within 180 days the culture, cost basis and focus of both your North American and Asian operations will be greatly improved. By this time next year, we expect substantial and fundamental change.

To authorize VGI to begin work, please sign below and return an original copy to my attention.

Very Truly Yours,

Authorization Signature

VAGUS GROUP, INC.

Las Vegas Sands Corp.

By: Steven C. Jacobs
President

By: Mike Leven
President and COO

Date

EXHIBIT B

EXHIBIT C

**Glaser Weil Fink Jacobs
Howard & Shapiro LLP**

10250 Constellation Blvd,
19th Floor
Los Angeles, CA 90067
310.863.8000 TEL
310.566.2820 FAX

November 23, 2010

Direct Dial
(310) 282-8217
Email
Pglaser@glaserweil.com

VIA FACSIMILE TRANSMISSION AND U.S. MAIL

Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

Re: Las Vegas Sands Corp., et al. adv. Jacobs

Dear Mr. Campbell:

This law firm represents Sands China Ltd. together with its subsidiaries (the "Company"). While we will be responding in due course to what we believe, to be kind, an ill-advised complaint filed in the above referenced matter, we address here a matter of immediate concern to our client. We have reason to believe, based on conversations with existing and former employees and consultants for the Company, that Mr. Jacobs has stolen Company property including but not limited to three reports he, while working for the Company, received from Mr. Steve Vickers of International Risk Ltd.

We urge Mr. Jacobs to avoid the "I don't know what you're talking about" charade and return such reports (and any copies thereof) of which most if not all, have been watermarked. Of course, to the extent he has other Company property, such property must also be returned immediately. If we do not receive the reports within the next five (5) business days, we will be forced to seek Court intervention either in Las Vegas or Macau.

On a related matter, we hereby demand and advise Mr. Jacobs (and any consulting company with which he is or was associated) to retain all of his/their files and his wife's files related to the Company and Las Vegas Sands Corp. Also, we remind Mr. Jacobs and his wife to preserve (a) all electronic mail and information about electronic mail (including message contents, header information, and logs of electronic mail system usage including both personal and business electronic mail accounts); (b) all databases (including all records and fields and structural information in such databases); (c) all logs of activity on computer systems that may have been used to process or store electronic data; (d) all word processing files and file.

Donald Campbell, Esq.
Campbell & Williams
November 23, 2010
Page 2

fragments; and (e) all other electronic data in each case relating to the Company or Las Vegas Sands Corp.

To minimize the risk of spoliation of relevant electronic documents, Mr. Jacobs (and any consulting company with which he is or was associated) and his wife should not modify or delete any electronic data files relating to the Company or Las Vegas Sands Corp. that are maintained on on-line storage and/or direct access storage devices unless a true and correct copy of each such electronic data file has been made and steps taken to ensure that such copy will be preserved and accessible.

Obviously, no one should alter or erase such electronic data and should not perform any other procedures (such as data compression and disc de-fragmentation or optimization routines) that may impact such data on any stand-alone computers and/or network workstations unless a true and correct copy has been made of such active files and of completely restored versions of such deleted electronic files and fragments and unless copies have been made of all directory listings (including hidden files) for all directories and subdirectories containing such files, and unless arrangements have been made to preserve copies.

Finally, any and all steps necessary to preserve relevant evidence created subsequent to this letter should be taken.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,



Patricia Glaser
of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

PLG:jam

712356_2.DOC

APP000147

EXHIBIT D

**Glaser Weil Fink Jacobs
Howard Avchen & Shapiro LLP.**

3763 Howard Hughes Parkway
10250 Constellation Blvd.
19th Floor
Los Angeles, CA 90087
310.588.3000 TEL.
310.588.2920 FAX

Direct Dial
(310) 282-6217
Email
Pglsaser@glaserweil.com

January 7, 2011

VIA FACSIMILE TRANSMISSION AND U.S. MAIL

Donald Campbell, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, NV 88101

Re: Las Vegas Sands Corp., et al, adv, Jacobs
Clark County District Court Case No.: A10-627691

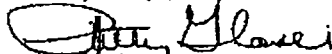
Dear Mr. Campbell:

This letter follows up on our letter of December 13, 2010. Since that letter, we received a UPS package which enclosed what appear to be original reports concerning Macau officials and Mr. Cheung Chi Tai, but which included no cover letter nor the Heung Wah Keong report.

As we said in our letter of December 13, 2010, and as we communicated to you previously, we expect Mr. Jacobs to return to us all original reports, as well as any copies. We therefore reiterate our prior requests that all original reports of the type about which we have corresponded be returned to us, that all copies be returned to us or destroyed and that you confirm in writing that these steps have been completed. Finally, we reiterate our original request that Mr. Jacobs return any other property of Sands China Ltd. or its subsidiaries that he now possesses.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,



Patricia Glaser
of GLASER, WEIL, FINK, JACOBS, HOWARD & SHAPIRO, LLP

PLG:dd

THE HSB/TAS LAW FIRMS WORLDWIDE

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APP000149

EXHIBIT E



CAMPBELL
& WILLIAMS
ATTORNEYS AT LAW

VIA FACSIMILE

November 30, 2010

Patricia Glaser, Esq.
Glaser Weil Pink Jacobs
Howard & Shapiro
10250 Constellation Blvd.
Los Angeles, California 90067

Ré: *Jacobs v. Las Vegas Sands Corp., et al.*

Dear Ms. Glaser:

We are in receipt of your letter dated November 23, 2010, which was received shortly before the Thanksgiving Holiday. Before turning to the substance contained therein, let me begin by stating "nice to meet you, too."

Moving on . . . please be advised that my firm and I have been consumed in another piece of commercial litigation that has been proceeding on an expedited basis with a myriad of court hearings and deadlines throughout the month of November and continuing into December. You may confirm the existence and breakneck pace of the litigation about which I speak with your local counsel, Stephen Peek and Justin Jones, as they represent one of the parties in the action. As such, I have not had an opportunity to address the contents of your letter with my client, Mr. Jacobs. I do, however, anticipate being able to discuss this matter with him in detail early next week.

Meanwhile, you may assist us in evading your self-coined "'I don't know what you're talking about' charade" by describing in more detail the "three reports" referenced in your letter. It has been our experience that wrongfully terminated corporate executives are often—and properly—in possession of a multitude of documents received during the ordinary course of their employment. Contrary to the allegations contained in your letter, that does not mean the documents were "stolen." Thus, in order to determine whether Mr. Jacobs possesses the reports you want "returned immediately," it would help to know exactly what you are talking about.

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-9228
FAX: 702/382-0540

Patricia Glaser, Esq.
November 30, 2010
Page 2

Finally, insofar as Mr. Jacobs is in possession of any other documents or evidence related to Sands China, Ltd. and Las Vegas Sands, Corp. we have previously instructed him, as we instruct any client, to preserve all such materials in whatever form they exist.

This letter is written without waiver of or prejudice to any and all of our client's rights and remedies.

Very truly yours,

CAMPBELL & WILLIAMS


Donald J. Campbell, Esq.

DJC:mp

EXHIBIT F

Justin Jones

From: Colby Williams [jcw@campbellandwilliams.com]
Sent: Friday, July 08, 2011 4:30 PM
To: Justin Jones; Stephen Ma
Subject: Document Production

Dear Justin/Steve,

As we approach the end of the week, I thought it would be a good idea to update you on the status of our document production. As you know, I have been out of the office all week on vacation but have, nevertheless, been dealing with various work matters including the Jacobs document production.

Steve electronically transferred to our office a significant number of e-mail communications he received during his tenure with Defendants. That file transfer was completed last weekend after I left for vacation. I believe the amount of material constitutes approximately 11 gigs. In addition, Steve has sent us hard copies of various documents that also arrived at our office this week. I have not reviewed those documents and do not yet know the amount of material contained therein.

In anticipation of Bates Stamping and producing these documents to Defendants, I wanted to address a couple of issues.

First, as it relates to the production of communications that Steve may have had with Macau residents, we believe we are authorized to produce those documents to you despite any potential application of the Macau Data Privacy Act. Our basis for that conclusion is that Steve is a U.S. Citizen, he resides in and is located in the U.S. presently, the information is located in the U.S., and the documents are being produced pursuant to the rules governing procedures in a U.S. lawsuit. Given that the Privacy Act permits the "processing" of personal information to effectuate "compliance with a legal obligation to which the controller is subject" see, Art. 6, § (2), it appears to us that all parties in the litigation would be authorized to produce documents therein. Nonetheless, since Defendants have raised the issue, we would like to include a provision in the SPO to be submitted to the Court whereby Judge Gonzalez confirms that the Macau Data Privacy Act does not provide a basis for withholding documents in this litigation at least insofar as Steve's production is concerned. With respect to whether the act has any impact on Defendants' production, the parties can debate that issue at a later date if it becomes necessary.

Second, in beginning our review of the e-mails, it appears that Steve was the recipient of a number of e-mails from various attorneys employed by LVSC and SCL during the normal course and scope of his duties with Defendants. While we are certainly entitled to e-mails from attorneys that were sent to Steve during his tenure that are relevant to the claims/defenses in the litigation, we likewise recognize that there may be a number of e-mails from attorneys to Steve that are likely not relevant to this action. Frankly, we have neither the time nor interest to review any attorney authored e-mails that are irrelevant to this action. Thus, after initially reviewing a small portion of the material transferred by Steve in order to determine what it comprises, we have stopped the review process so that we may address this issue with you before discovery begins.

We propose the following: We send the material to our third-party ESI vendor for Bates Stamping. We will then produce all of the documents to you (less any documents for which Steve maintains a privilege, which will be identified in an appropriate log). Defendants will then have a certain amount of time (to be agreed upon by the parties) to advise us as to their position as to the relevance/irrelevance of the attorney-authored communications to Steve and whether any should be withheld and logged by Defendants. In the meantime, we will simply continue the suspension of any review of additional emails between Steve and company lawyers. By engaging in this proposed process, we are, of course, not waiving our right to contest Defendants' positions on relevance and/or the application of any privileges, all of which are expressly reserved.

Please let me know your thoughts about our proposals on these two issues so that we may commence with discovery.
I'll be back in the office on Monday and we can talk then.

Have a good weekend.

Regards,
Colby

J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh Street
Las Vegas, Nevada 89107
Tel. 702.382.5222
Fax. 702.382.0540
email jcw@campbellandwilliams.com

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DECLARATION OF JUSTIN C. JONES

I, JUSTIN C. JONES, under penalty of perjury, state as follows:

1. I have personal knowledge of the matters set forth in this Declaration except as to those matters stated upon information and belief, and I believe those matters to be true.

2. I am at least 18 years of age and am competent to testify to the matters stated in this Declaration.

3. I am counsel of record for Defendant Las Vegas Sands Corp. ("LVSC") in litigation brought by Steve Jacobs in Eighth Judicial District Court Case No. A648484-B.

4. I make this Declaration in Support of LVSC's Motion for Temporary Restraining Order and Preliminary Injunction or in the Alternative for Protective Order (the "Motion").

5. Jacobs' counsel recently revealed that Jacobs was in possession of approximately 11 gigabytes of documents, which includes (as admitted by Jacobs' own counsel) documents containing attorney-client communications between Sands China and its counsel. *See* true and correct copy of a July 8, 2011 Email, attached to Motion as Exhibit H.

6. In response to this revelation, I demanded on behalf of LVSC that Jacobs immediately return all such documents.

7. However, to date, Jacobs has failed and refused to return company documents to LVSC.

8. On August 1, 2011, the parties met and conferred telephonically regarding return of company documents in Jacobs' possession. During the telephone conference, Jacobs' counsel confirmed that:

1. Jacobs and his counsel are in possession of documents which Jacobs acquired during the course of his employment.

2. These documents include material that may be subject to the attorney-client privilege.

3. Jacobs does not believe that he is bound to keep confidential those documents obtained during the course of his employment because he asserts that he did not sign any

1 confidentiality policy or other document containing a
2 confidentiality provision.

3 4. Jacobs believes that Macau data privacy laws do not
4 prohibit him from disclosing documents in this matter and that
5 Macau data privacy laws are being used by Defendants as a
6 "farcical canard" to avoid disclosure of documents.

7 5. Based upon the foregoing, Jacobs refused to comply with
8 the request for return of documents obtained during the course of
9 his employment and would not commit that he has not or will not
10 provide such documents to third parties.

11 *See Exhibit E to Motion for Protective Order.*

12 11. In subsequent correspondence, Jacobs' counsel confirmed that Jacobs "is *unable*
13 to 'return' the documents to Defendants". *See Exhibit F to Motion for Protective Order.*

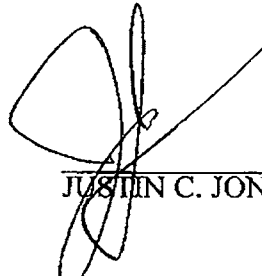
14 12. Additionally, while Jacobs' former attorneys have agreed to cease *their* review
15 and/or production of the documents until the matter is resolved by the Court, they are "unable to
16 represent that Steve has not or will not provide any of the documents to certain third parties."

17 13. I have presented a stipulation to Jacobs' new counsel, Jim Pisanelli, requesting
18 that such documents not be reviewed and not be provided to third parties; however, Mr. Pisanelli
19 was not agreeable to signing the stipulation.

20 14. Accordingly this Motion to restrain and enjoin Jacobs and his agents and
21 attorneys is necessary.

22 I declare under penalty of perjury of the State of Nevada that the foregoing is true and
23 correct.

24 DATED September 16, 2011.

25
26
27
28

JUSTIN C. JONES

O

EXHIBIT H

August 2, 2011

VIA FAX (382-0540) AND U.S. MAIL

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh St.
Las Vegas, NV 89101

Re: Jacobs v. Las Vegas Sands Corp., et al.
Case No. A627691-C

Dear Messrs. Campbell and Williams:

This letter follows up on the discussion last night, as well as prior discussions and email correspondence, regarding documents in the possession of your client, Steve Jacobs. My understanding from what you reported last night is as follows:

1. Mr. Jacobs and your firm are in possession of documents which Mr. Jacobs acquired during the course of his employment, which employment Mr. Jacobs alleges was with Las Vegas Sands Corp. ("LVSC").
2. These documents include material that, based upon your initial review, may be subject to the attorney-client privilege.
3. Mr. Jacobs did not sign any confidentiality policy or other document containing a confidentiality provision and thus does not believe that he is bound to keep confidential those documents obtained during the course of his employment.
4. Mr. Jacobs believes that Macanese data privacy laws do not prohibit him from disclosing documents in this matter; rather, Mr. Jacobs believes, after consulting with others, that Macanese data privacy laws are being used by Defendants in this matter as a "farfical canard" to avoid disclosure of documents.
4. Based upon the foregoing, Mr. Jacobs will not comply the request for return of documents obtained during the course of Mr. Jacobs' asserted employment with LVSC, nor can Mr. Jacobs commit that he has not or will not provide such documents to third parties.
5. While Mr. Jacobs will not return the requested documents, he will agree not to produce the documents in this litigation until such time as the issue is resolved by

Holland & Hart

Phone (702) 669-4800 Fax (702) 669-4650 www.hollandhart.com

9555 Hillwood Drive 2nd Floor Las Vegas, NV 89134

Aspen Boulder Canon City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ©

August 02, 2011

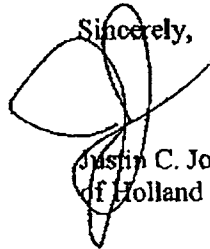
Page 2

the Court upon motion practice. As discussed, a formal stipulation is forthcoming.

6. Furthermore, we requested that you stipulate to our filing of an amended counterclaim to assert claims relating to Mr. Jacobs improper taking of and/or retention of documents. However, you would not agree to stipulate to our filing of an amended counterclaim or to a non-opposition to a motion to amend the counterclaim.

If my understanding of the discussion last night is incorrect, please advise immediately.

Sincerely,

A handwritten signature in black ink, appearing to be "Justin C. Jones", written over the typed name.


Justin C. Jones
of Holland & Hart LLP

JCJ

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO	0989
RECIPIENT ADDRESS	93820540
DESTINATION ID	
ST. TIME	08/02 16:37
TIME USE	00'28
PAGES SENT	2
RESULT	OK

HOLLAND & HART 

Justin C. Jones
Phone 702-222-2595
Fax 702-669-4650
jjones@hollandhart.com

August 2, 2011

VIA FAX (382-0540) AND U.S. MAIL

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 South Seventh St.
Las Vegas, NV 89101

Re: Jacobs v. Las Vegas Sands Corp., et al.
Case No. A627691-C

Dear Messrs. Campbell and Williams:

This letter follows up on the discussion last night, as well as prior discussions and email correspondence, regarding documents in the possession of your client, Steve Jacobs. My understanding from what you reported last night is as follows:

1. Mr. Jacobs and your firm are in possession of documents which Mr. Jacobs acquired during the course of his employment, which employment Mr. Jacobs alleges was with Las Vegas Sands Corp. ("LVSC").
2. These documents include material that, based upon your initial review, may be subject to the attorney-client privilege.
3. Mr. Jacobs did not sign any confidentiality policy or other document containing a confidentiality provision and thus does not believe that he is bound to keep confidential those documents obtained during the course of his employment.
4. Mr. Jacobs believes that Macanese data privacy laws do not prohibit him from disclosing documents in this matter; rather, Mr. Jacobs believes, after consulting with others, that Macanese data privacy laws are being used by Defendants in this

EXHIBIT I

APP000162



VIA E-MAIL

August 3, 2011

Justin C. Jones, Esq.
Holland & Hart
3800 Howard Hughes Pkwy. 10th Fl.
Las Vegas, Nevada 89169

Re: *Jacobs v. Las Vegas Sands Corp., et al.*

Dear Justin:

I wanted to respond to the letter you faxed to our office yesterday, which sought to memorialize the discussions of counsel pertaining to documents in the possession of our client, Steve Jacobs. Before turning to your enumerated points, I think it is important to clarify that our firm was responsible for bringing this matter to everyone's attention via my e-mail communication to you and Steve Ma on July 8, 2011. In that e-mail I advised both of you, *inter alia*, of the amount of documents Steve (Jacobs) had electronically transferred to our firm, the fact that there appeared to be communications between LVSC/SCL attorneys and Steve during the course of his tenure with Defendants, and that we had stopped our review of said documents very shortly after it began so that the parties could address these issues together. Since that time, various counsel for the parties have conducted at least three telephonic meet and confer conferences, and our firm has continued to refrain from any review or production of the documents per those conferences.

With that background, let me briefly respond to your bullet points in the order they were presented:

1. This is an accurate statement.
2. This is an accurate statement as far as it goes. I would clarify, though, our position that: (i) communications Steve had with a company attorney are not necessarily privileged simply because an attorney was involved, and (ii) Steve would nonetheless be entitled to communications he exchanged with company attorneys even if they are deemed protected by the attorney-client privilege so long as they are relevant (*i.e.*, calculated to lead to the discovery of admissible evidence) to the claims and defenses at issue in the litigation.

700 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
PHONE: 702/382-5222
FAX: 702/382-0540

Justin C. Jones, Esq.
August 3, 2011
Page 2

3. Our understanding is that Steve did not sign a confidentiality agreement in his capacity as an employee of LVSC or agent of SCL. We have raised this issue not because we believe Steve may freely disperse documents he acquired during his employment to the public at large but, rather, in response to Defendants' allegation that Steve is wrongfully in possession of said documents.

4. This statement is accurate to the extent it reflects our position that the Macau data privacy laws do not prevent any of the parties from producing documents in this action.

4. [sic] We have offered to Bates Stamp and produce all of Steve's documents to Defendants (less those for which Steve has a privilege, which would be logged), who may then conduct a review to determine their position as to the potential attorney-client communications. Defendants responded that they do not want any documents "produced," but instead want all of them "returned." We advised that Steve is unable simply to "return" the documents to Defendants. We are also unable to represent that Steve has not or will not provide any of the documents to certain third parties.

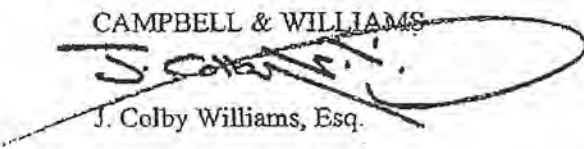
5. While Steve is unable to "return" the documents to Defendants, we agreed not to produce the documents in this litigation until the issue is resolved by the Court. Additionally, our firm will continue to refrain from reviewing the documents so as not to create any issues regarding the documents containing communications with attorneys. We will consider any stipulation you propose on this issue.

6. You are correct that we are unable to agree to stipulate to allow one or both Defendants to amend the counterclaim to assert a cause of action relating to Steve's possession of the subject documents. As we explained, our inability to agree is not designed to create more work for Defendants but, rather, reflects the simple fact that we do not have authorization to consent to such a filing.

While the foregoing is not meant to be a full expression of our rights and positions, I believe it adequately addresses your letter of last night. Please contact me with any questions or comments.

Very truly yours,

CAMPBELL & WILLIAMS


J. Colby Williams, Esq.

JCW/

EXHIBIT J

THE MACAO SPECIAL ADMINISTRATIVE REGION

Act 8/2005

Personal Data Protection Act

Under Article 71 (1) of the Basic Law of the Macao Special Administrative Region, the Legislative Council hereby decrees the following to implement the fundamental order established by Articles 30, 32, and 43 of the Basic Law of the Macao Special Administrative Region.

CHAPTER I

General provisions

Article 1

Object

This Act establishes the legal system on the processing and protection of personal data.

Article 2

General principle

The processing of personal data shall be carried out transparently and in strict respect for privacy and for other fundamental rights, freedoms and guarantees enacted in the Basic Law of the Macao Special Administrative Region, the instruments of international law and the legislation in force.

Article 3

Scope

- 1 – This Act shall apply to the processing of personal data wholly or partly by automatic means, and to the processing other than by automatic means of personal data which form part of manual filing systems or which are intended to form part of manual filing systems.
- 2 – This Act shall not apply to the processing of personal data carried out by a natural person in the course of a purely personal or household activity, save those with the purposes of systematic communication and dissemination.
- 3 – This Act shall apply to video surveillance and other forms of capture, processing and dissemination of sound and images allowing persons to be identified, provided the controller is domiciled or based in the Macao Special Administrative Region (the MSAR)

or makes use of a computer or data communication network access provider established on the MSAR territory.

4 - This Act shall apply to the processing of personal data regarding public safety without prejudice to special rules in instruments of international law and inter-regional agreements to which the MSAR is bound and specific laws pertinent to public safety and other related regulations.

Article 4 **Definitions**

1 - For the purposes of this Act:

- (1) "personal data" shall mean any information of any type, irrespective of the type of medium involved, including sound and image, relating to an identified or identifiable natural person ("data subject"); an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an indication number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity;
- (2) "data subject" shall mean the natural person whose data are processed;
- (3) "processing of personal data" ("processing") shall mean any operation or set of operations which is performed upon personal data, whether or not by automatic means, such as collection, recording, organisation, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction;
- (4) "personal data filing system" ("filing system") shall mean any structured set of personal data which are accessible according to specific criteria, regardless of the form or method of its establishment, storage and organization;
- (5) "controller" shall mean the natural or legal person, public entity, agency or any other body which alone or jointly with others determines the purposes and means of the processing of personal data;
- (6) "processor" shall mean a natural or legal person, public entity, agency or any other body which processes personal data on behalf of the controller;
- (7) "third party" shall mean any natural or legal person, public entity, agency or any other body other than the data subject, the controller, the processor and the persons under the direct authority of the controller or the processor, which are qualified to process the data;
- (8) "recipient" shall mean a natural or legal person, public entity, agency or any other body to whom data are disclosed, whether a third party or not; however, authorities which may receive data in the framework of a law or a statutory regulation with organizational nature shall not be regarded as recipients;

- (9) "the data subject's consent" shall mean any freely given specific and informed indication of his wishes by which the data subject signifies his agreement to personal data relating to him being processed;
- (10) "combination of data" shall mean a form of processing which consists of the possibility of correlating data in a filing system with data in a filing system or systems kept by another or other controllers or kept by the same controller for other purposes;
- (11) "public authority" shall mean an entity to which No. 3 of Article 79 of the Civil Code refers;
- (12) "statutory regulation with organizational nature" shall mean a provision in law regulating the organization and function, or in the statute, of any entity that is competent to process the personal data or carry out other actions enacted in this act.
- 2 - To serve (5) above, if the purpose and method are determined in the law or statutory regulation with organizational nature, the controller shall be designated in it.

CHAPTER II

Processing and quality of personal data and the lawfulness of their processing

Article 5

Data quality

1 - Personal data must be:

- (1) processed lawfully and with respect for the principle of good faith and the general principle in Article 2;
- (2) collected for specified, explicit, legitimate purposes and for purposes directly related to the activity of the controller; and not further processed in a way incompatible with those purposes;
- (3) adequate, relevant and not excessive in relation to the purposes for which they are collected and/or further processed;
- (4) accurate and, where necessary, kept up to date; adequate measures must be taken to ensure that data which are inaccurate or incomplete, having regard to the purposes for which they were collected or for which they are further processed, are erased or rectified;
- (5) kept in a form which permits identification of their subjects for no longer than is necessary for the purposes for which they were collected or for which they are further processed.

2 – The storing of data for historical, statistical or scientific purposes for longer periods than in (5) above may be authorised by the public authority at the request of the controller in the case of a legitimate interest.

Article 6

Criteria for making data processing legitimate

Personal data may be processed only if the data subject has unambiguously given his consent or if processing is necessary:

- (1) for the performance of a contract or contracts to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract or a declaration of his will to negotiate;
- (2) for compliance with a legal obligation to which the controller is subject;
- (3) in order to protect the vital interests of the data subject if the latter is physically or legally incapable of giving his consent;
- (4) for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller or in a third party to whom the data are disclosed;
- (5) for pursuing the legitimate interests of the controller or the third party to whom the data are disclosed, except where such interests should be overridden by the interests for fundamental rights, freedoms and guarantees of the data subject.

Article 7

The processing of sensitive data

1 – The processing of personal data revealing philosophical or political beliefs, political society or trade union membership, religion, privacy and racial or ethnic origin, and the processing of data concerning health or sex life, including genetic data, shall be prohibited.

2 – With guarantees of non-discrimination and with the security measures provided for in Article 16, the processing of the data referred to in the previous number shall be carried out when one of the following conditions applies:

- (1) when the processing of the data referred to in the previous number is given explicit authorisation by a legal provision or by a statutory regulation with organizational nature;
- (2) when, on important public interest grounds, such processing is essential for exercising the legal or statutory rights of the controller, and authorised by the public authority;
- (3) when the data subject has given his explicit consent for such processing.

3 – The processing of the data referred to in No. 1 shall also be carried out when one of the following conditions applies:

- (1) when it is necessary to protect the vital interests of the data subject or of another person, and the data subject is physically or legally incapable of giving his consent;
- (2) when it is carried out with the data subject's consent in the course of its legitimate activities by a legal person or non-profit seeking body with a political, philosophical, religious or trade union aim and on condition that the processing relates solely to the members of the body or to persons who have regular contact with it in connection with its purposes and that the data are not disclosed to a third party without the consent of the data subjects;
- (3) when it relates to data which are manifestly made public by the data subject, provided his consent for their processing can be clearly inferred from his declarations;
- (4) when it is necessary for the establishment, exercise or defence of legal claims and is exclusively carried out for that purpose.

4 – The processing of data relating to health and sex life, including genetic data, shall be carried out if it is necessary for the purposes of preventive medicine, medical diagnosis, the provision of care or treatment or the management of health-care services, provided those data are processed by a health professional bound by professional secrecy or by another person also subject to an equivalent obligation of secrecy, and it is notified to the public authority under Article 21, and where suitable safeguards are provided.

Article 8

Suspicion of illegal activities, criminal and administrative offences

1 – Central registers relating to persons suspected of illegal activities, criminal and administrative offences and decisions applying penalties, security measures, fines and additional penalties may only be created and kept by public services vested with that specific responsibility by a legal provision or a statutory regulation with organizational nature, subject to observance of procedural and data protection rules in force.

2 – The processing of personal data relating to persons suspected of illegal activities, criminal and administrative offences and decisions applying penalties, security measures, fines and additional penalties may be carried out, subject to observance of the rules for the protection of data and the security of information, when such processing is necessary for pursuing the legitimate purposes of the controller, provided the fundamental rights and freedoms of the data subject are not overriding.

3 – The processing of personal data for the purposes of police investigations shall be restricted to the processing necessary to prevent a specific danger or to prosecute a particular offence and to exercise the responsibilities provided for in a legal provision, in a statutory regulation with organizational nature, or in the terms of instruments of international law or inter-regional agreements applicable in the MSAR.

Article 9

Combination of personal data

1 - The combination of personal data not provided for in a legal provision or a statutory regulation with organizational nature shall be subject to the authorisation of the public authority, requested by the controller or jointly by the corresponding controllers under No. 1 of Article 22.

2 - The combination of personal data must:

- (1) be necessary for pursuing the legal or statutory purposes and legitimate interests of the controller;
- (2) not involve discrimination or a reduction in the fundamental rights and freedoms of the data subjects;
- (3) be covered by adequate security measures;
- (4) take account of the type of data subject to combination.

CHAPTER III

Rights of the data subject

Article 10

Right to information

1 - The controller or his representative shall provide a data subject from whom data relating to himself are collected with the following information, except where he already has it:

- (1) the identity of the controller and of his representative, if any;
- (2) the purposes of the processing;
- (3) other information such as:
 - (i) The recipients or categories of recipients;
 - (ii) Whether replies are obligatory or voluntary, as well as the possible consequences of failure to reply;
 - (iii) The existence and conditions of the right of access and the right to rectify, provided they are necessary, taking account of the specific circumstances of collection of the data in order to guarantee the data subject that they will be processed fairly.

2 - The documents supporting the collection of personal data shall contain the information set down in the previous number.

3 - If the data are not collected from the data subject and except where he already has it, the controller or his representative must provide the data subject with the information set

down in No. 1 at the time of undertaking the recording of data or, if a disclosure to third parties is envisaged, no later than the time the data are first disclosed.

4 – If data are collected on open networks the data subject shall be informed, except where he is already aware of it, that personal data relating to him may be circulated on the network without security measures and may be at risk of being seen and used by unauthorised third parties.

5 – The obligation to provide information may be waived by any one of the following:

- (1) a legal provision;
- (2) on the grounds of security and criminal prevention or investigation;
- (3) in particular for processing for statistical purposes or for the purposes of historical or scientific research, when the provision of such information proves impossible or would involve a disproportionate effort or if recording or disclosure is expressly laid down by law or administrative regulations, in which case notification to the public authority is required.

6 – With respect to the basic right of the data subject under No. 3 of the next article, the obligation to provide information under this Article shall not apply to the processing of data carried out solely for journalistic purposes or the purpose of artistic or literary expression.

Article 11

Right of access

1 – The data subject has the right to obtain from the controller without constraint at reasonable intervals and without excessive delay or expense:

- (1) Confirmation as to whether or not data relating to him are being processed and information as to the purposes of the processing, the categories of data concerned and the recipients or categories of recipients to whom the data are disclosed;
- (2) Communication in an intelligible form of the data undergoing processing and of any available information as to their source;
- (3) Knowledge of the reason involved in any automatic processing of data concerning him;
- (4) The rectification, erasure or blocking of data the processing of which does not comply with the provisions of this Act, in particular because of the incomplete or inaccurate nature of the data;
- (5) Notification to third parties to whom the data have been disclosed of any rectification, erasure or blocking carried out in compliance with (4), in which case the third parties are required to rectify, erase or block the data accordingly, unless this proves impossible, or would involve a disproportionate effort.

- 2 – In the case of the processing of personal data relating to security and criminal prevention or investigation, the right of access may be exercised by means of the competent authority in that case.
- 3 – In the cases provided for in No. 6 of the previous article, the right of access is exercised by means of the public authority, securing the rules applicable, in particular those guaranteeing freedom of expression and information, freedom of the press and the professional independence and secrecy of journalists.
- 4 – In the cases provided for in No. 2 and No. 3, if communication of the data might prejudice security, criminal prevention or investigation and freedom of expression and information or the freedom of the press, the competent authority in that case or the public authority shall only inform the data subject of the measures taken within the limits of maintaining the targeted value of protection described in this number.
- 5 – The right of access to information relating to health data, including genetic data, is exercised by means of the doctor chosen by the data subject.
- 6 – If the data are not used for taking measures or decisions regarding any particular individual, the law may restrict the right of access where there is clearly no risk of breaching the fundamental rights, freedoms and guarantees of the data subject, particularly the right to privacy, and when the data are used solely for purposes of scientific research or are kept in personal form for a period which does not exceed the period necessary for the sole purpose of creating statistics.

Article 12

Right to object

1. Save where otherwise provided by law, the data subject has the right to object at any time on compelling legitimate grounds relating to his particular situation to the processing of data relating to him, and where there is a justified objection the processing instigated by the controller may no longer involve those data;
2. The data subject also has the right to object, on request and free of charge, to the processing of personal data relating to him which the controller anticipates being processed for the purposes of direct marketing or any other form of commercial research, or to be informed before personal data are disclosed for the first time to third parties for the purposes of direct marketing or for use on behalf of third parties, and to be expressly offered the right to object free of charge to such disclosure or uses.

Article 13

Right not to be subject to automated individual decisions

- 1 – Every person shall have the right not to be subject to a decision which produces legal effects concerning him or significantly affects him and which is based solely on

automated processing of data intended to evaluate certain personal aspects relating to him, in particular his performance at work, creditworthiness, reliability or conduct.

2 -- Without prejudice to compliance with the other provisions of this Act, a person may be subject to a decision taken under No. 1:

- (1) if that decision is taken in the course of the entering into or performance of a contract, provided that the request for the entering into or the performance of the contract has been satisfied, or that there are suitable measures to safeguard his legitimate interests, particularly arrangements allowing him to put his point of view.
- (2) if that decision is authorised by a legal provision which shall lay down measures to safeguard the data subject's legitimate interests.

Article 14

Right to indemnification

1 -- Any person who has suffered damage as a result of an unlawful processing operation or of any other act incompatible with legal provisions or regulations in the area of personal data protection is entitled to receive compensation from the controller for the damage suffered.

2 -- The controller may be exempted from this liability, in whole or in part, if he proves that he is not responsible for the event giving rise to the damage.

3 -- If a processor involves, Article 492 of the Civil Code and its following provisions pertinent to relation of commission shall apply.

CHAPTER IV

Security and confidentiality of processing

Article 15

Security of processing

1 -- The controller must implement appropriate technical and organisational measures to protect personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing. Having regard to the state of the art and the cost of their implementation, such measures shall ensure a level of security appropriate to the risks represented by the processing and the nature of the data to be protected.

2 – Where processing is carried out on his behalf the controller must choose a processor providing sufficient guarantees in respect of the technical security measures and organisational measures governing the processing to be carried out, and must ensure compliance with those measures.

3 – The carrying out of processing by way of a processor must be governed by a contract or legal act binding the processor to the controller and stipulating in particular that the processor shall act only on instructions from the controller and that the obligations referred to in No. 1 shall also be incumbent on the processor.

4 – Proof of the will to negotiate, the contract or the legal act relating to data protection and the requirements relating to the measures referred to in No. 1 shall be in writing in a document legally certified as affording proof.

Article 16

Special security measures

1 - The controllers of the data referred to in No. 2 of Articles 7 and Article 8 shall take appropriate measures to:

- 1) prevent unauthorised persons from entering the premises used for processing such data (control of entry to the premises);
 - 2) prevent data media from being read, copied, altered or removed by unauthorised persons (control of data media);
 - 3) prevent unauthorised input and unauthorised obtaining of knowledge, alteration or elimination of personal data input (control of input);
 - 4) prevent automatic data processing systems from being used by unauthorised persons by means of data transmission premises (control of use);
 - 5) guarantee that authorised persons may only access data covered by the authorisation (control of access);
 - 6) guarantee the checking of the bodies to whom personal data may be transmitted by means of data transmission premises (control of transmission);
 - 7) guarantee that it is possible to check *a posteriori*, in a period appropriate to the nature of the processing, the establishment in the regulations applicable to each sector of which personal data are input, when and by whom (control of input);
 - 8) in transmitting personal data and in transporting the respective media, prevent unauthorised reading, copying, alteration or elimination of data (control of transport).
- 2 – Taking account of the nature of the bodies responsible for processing and the type of premises in which it is carried out, the public authority may waive the existence of certain security measures, subject to guaranteeing respect for the fundamental rights, freedoms and guarantees of the data subjects.

- 3 – The systems must guarantee logical separation between data relating to health and sex life, including genetic data, and other personal data.
- 4 – Where circulation over a network of the data referred to in Article 7 may jeopardise the fundamental rights, freedoms and guarantees of their data subjects the public authority may determine that transmission must be encoded.

Article 17

Processing by a processor

Any person acting under the authority of the controller or the processor, including the processor himself, who has access to personal data must not process them except on instructions from the controller, unless he is required to do so by law.

Article 18

Professional secrecy

- 1 – Controllers and persons who obtain knowledge of the personal data processed in carrying out their functions shall be bound by professional secrecy, even after their functions have ended.
- 2 – Officers, agents or staff who act as consultants for the public authority shall be subject to the same obligation of professional secrecy.
- 3 – The provision in the previous numbers shall not exclude the duty to supply the obligatory information according to the law, except when it is contained in filing systems organised for statistical purposes.

CHAPTER V

Transfer of personal data outside the MSAR

Article 19

Principles

- 1 - The transfer of personal data to a destination outside the MSAR may only take place subject to compliance with this Act and provided the legal system in the destination to which they are transferred ensures an adequate level of protection.
- 2 – The adequacy of the level of protection referred to in the previous number shall be assessed in the light of all the circumstances surrounding a data transfer operation or set of data transfer operations; particular consideration shall be given to the nature of the data, the purpose and duration of the proposed processing operation or operations, the place of origin and place of final destination, the rules of law, both general and sectoral, in force in

the destination in question and the professional rules and security measures which are complied with in that destination.

3 – It is for the public authority to decide whether a legal system ensures an adequate level of protection referred to in the previous number.

Article 20

Derogations

1 - A transfer of personal data to a destination in which the legal system does not ensure an adequate level of protection within the meaning of No. 2 of the previous article may be allowed on condition that the public authority is notified, and that the data subject has given his consent unambiguously to the proposed transfer, or if that transfer:

- (1) is necessary for the performance of a contract between the data subject and the controller or the implementation of pre-contractual measures taken in response to the data subject's request;
- (2) is necessary for the performance or conclusion of a contract concluded or to be concluded in the interests of the data subject between the controller and a third party;
- (3) is necessary or legally required on important public interest grounds, or for the establishment, exercise of defence of legal claims;
- (4) is necessary in order to protect the vital interests of the data subject;
- (5) is made from a register which according to laws or administrative regulations is intended to provide information to the public and which is open to consultation either by the public in general or by any person who can demonstrate legitimate interest, provided the conditions laid down in law for consultation are fulfilled in the particular case.

2 – Without prejudice to No. 1 the public authority may authorise a transfer or a set of transfers of personal data to a destination in which the legal system does not ensure an adequate level of protection within the meaning of No. 2 of the previous article, provided the controller adduces adequate safeguards with respect to the protection of the privacy and fundamental rights and freedoms of individuals and with respect to their exercise, particularly by means of appropriate contractual clauses.

3 – A transfer of personal data which is necessary for the protection of defence, public security and public health, and for the prevention, investigation and prosecution of criminal offences, shall be governed by special legal provisions or by the international conventions and regional agreements to which the MSAR is party.

CHAPTER VI Notification

Article 21

Obligation of notification

- 1 – The controller or his representative, if any, must notify the public authority in written form within eight days after the initiation of carrying out any wholly or partly automatic processing operation or set of such operations intended to serve a single purpose or several related purposes.
- 2 – The public authority may authorise the simplification of or exemption from notification for particular categories of processing which are unlikely, taking account of the data to be processed, to affect adversely the rights and freedoms of the data subjects and to take account of criteria of speed, economy and efficiency.
- 3 – The authorisation, which must be published in the *Official Gazette of the MSAR*, must specify the purposes of the processing, the data or category of data to be processed, the category or categories of data subjects, the recipients or categories of recipients to whom the data may be disclosed and the length of time the data are to be stored.
- 4 – Processing whose sole purpose is the keeping of a register which according to laws or administrative regulations is intended to provide information to the public and which is open to consultation by the public in general or by any person demonstrating a legitimate interest shall be exempted from notification.
- 5 – The non-automatic processing of the personal data provided for in No. 1 of Article 7 shall be subject to notification when they are processed under No. 3 (1) of that Article.

Article 22

Prior checking

- 1 – Save where otherwise referred to in No. 2, the authorisation of the public authority is required for:
 - (1) the processing of personal data referred to in No. 2 of Article 7;
 - (2) the processing of personal data relating to credit and the solvency of the data subjects;
 - (3) the combination of personal data provided for in Article 9;
 - (4) the use of personal data for purposes not giving rise to their collection.
- 2 – The processing referred to in the previous number may be authorised by legal provisions or statutory regulations with organizational nature, in which case it does not require the authorisation of the public authority.

Article 23

Content of applications for opinions or authorisation and notification

Applications for opinions, authorisation and notifications submitted to the public authority shall include the following information:

- (1) the name and address of the controller and of his representative, if any;
- (2) the purposes of the processing;
- (3) a description of the category or categories of data subjects and of the data or categories of personal data relating to them;
- (4) the recipients or categories of recipients to whom the data might be disclosed and in what circumstances;
- (5) the body entrusted with processing the information, if it is not the controller himself;
- (6) any combinations of personal data processing;
- (7) the length of time for keeping personal data;
- (8) the form and circumstances in which the data subjects may be informed of or may correct the personal data relating to them;
- (9) proposed transfers of data to third countries;
- (10) a general description enabling a preliminary assessment to be made of the adequacy of the measures taken under Articles 15 and 16 to ensure security of processing.

Article 24

Obligatory information

1 - The legal provisions or statutory regulations with organizational nature referred to in No. 2 of Article 7 and No. 1 of Article 8, the authorisations of the public authority and the register of personal data processing must indicate at least:

- (1) the controller of the filing system and his representative, if any;
- (2) the categories of personal data processed;
- (3) the purposes of the data and the categories of body to whom they might be disclosed;
- (4) the form of exercising the right of access and rectification;
- (5) any combinations of personal data processing;
- (6) proposed transfers of data to third countries or regions.

2 - Any change in the information referred to in No. 1 shall be subject to the procedures provided for in Articles 21 and 22.

Article 25

Publicising of processing operations

1 - When personal data processing is not covered by a legal provision or statutory regulations with organizational nature, and must be authorised or notified, it shall be set down in a public authority register open to consultation by any person.

- 2 – The register shall contain the information listed in (1) to (4) and (9) of Article 23.
- 3 – A controller not subject to notification shall make available at least the information referred to in No. 1 of the previous article in an appropriate form to any person on request.
- 4 – This Article does not apply to processing whose sole purpose is the keeping of a register which according to laws or administrative regulations is intended to provide information to the public and which is open to consultation either by the public in general or by any person who can provide proof of a legitimate interest.
- 5 – All the opinions and authorisations drawn up or granted under this Act, particularly the authorisations provided for in No. 2 of Article 7 and No. 1 of Article 9, must be published by the public authority in its annual report.

CHAPTER VII

Codes of conduct

Article 26

Codes of conduct

The public authority shall encourage the drawing up of codes of conduct intended to contribute to the proper implementation of the provisions in this Act, to enhance a great efficacy of self regulation, and to exercise and protect privacy pertained basic rights, taking account of the specific features of the various sectors.

Article 27

Submission of draft codes of conduct

- 1 – Professional associations and other bodies representing other categories of controllers which have drawn up draft codes of conduct shall be able to submit them to the public authority for registration.
- 2 – If the public authority considers the draft as in accordance with the laws and regulations in force in the area of personal data protection, a registration shall be made.
- 3 – The registration of the codes of conduct has the effect of a declaration of its lawfulness but does not have the nature of a legal provision or a statutory regulation.

CHAPTER VIII

Administrative and legal supervision

SECTION I

Administrative and legal supervision

Article 28

General principles

Without prejudice to the right to submit a complaint to the public authority, according to the law any individual may have recourse to administrative and legal means to guarantee compliance with legal provisions and statutory regulations in the area of personal data protection.

Article 29

Special legal supervision

- 1 – Appeals may be lodged directly to the Court of Final Appeal against decisions reached by a law court for the reason of violation of fundamental rights protected by this act. It shall be direct and limited to only the questions on violation against fundamental rights, and shall have an urgent nature.
- 2 – Without prejudice to the previous number, for administrative acts or simple facts of public powers, appeals may be lodged to the Administrative Court for reasons of violation of fundamental rights protected by this act. The appeal shall have an urgent nature.
- 3 – In compliance with the previous two numbers, Article 7 of the Codes of Civil Procedures shall apply to the duly adapted appeal procedure mentioned in the previous two numbers. It also applies to and supplements the duly adapted law of civil procedures and administrative procedures respectively.

SECTION II

Administrative offences

Article 30

Subsidiary legislation

The general system of administrative offences, adapted according to the following articles, is subsidiarily applicable to the offences provided for in this section.

Article 31

Compliance with duty omitted

Whenever the administrative offence arises from omitting a duty, application of the penalty and payment of the fine do not release the perpetrator from compliance with that duty, if it is still possible.

Article 32

Omission or inadequate compliance with obligations

1 – Bodies which negligently fail to comply with the obligation to notify the public authority of the processing of personal data referred to in No. 1 and No. 5 of Article 21, provide false information or comply with the obligation to notify without observing Article 23 or, having been notified by the public authority, continue to allow access to open data transmission networks to controllers who fail to comply with the provisions of this Act are committing an administrative offence punishable with the following fines:

- (1) In the case of a natural person, a minimum of MOP2,000 and a maximum of MOP20,000;
 - (2) In the case of a legal person or a body without legal personality, a minimum of MOP10,000 and a maximum of MOP100,000.
- 2 – The fine shall be increased to double the maxima in the case of data subject to prior authorisation according to Article 22.

Article 33

Other administrative offences

1 – Bodies which fail to comply with obligations in Articles 5, 10, 11, 12, 13, 16, 17 and No. 3 of Article 25 are committing an administrative offence punishable with a minimum fine of MOP4,000 and a maximum of MOP40,000.

2 – In the case of failure to comply with the obligations in Articles 6, 7, 8, 9, 19 and 20, the administrative offence is punishable with a fine of MOP8,000 – MOP80,000.

Article 34

Concurrent offences

- 1 – If the same fact is simultaneously a crime and an administrative offence the agent shall always be punished by virtue of the crime.
- 2 – The penalties applied to concurrent administrative offences shall always be materially accumulated.

Article 35

Punishment of negligence and attempt

- 1 - Negligence shall always be punished in relation to the administrative offences provided for in Article 33.
- 2 - Any attempt to commit the administrative offences provided for in Articles 32 and 33 shall always be liable to punishment.

Article 36

Application of fines

- 1 - The public authority is responsible for the application of the fines provided for in this Act.
- 2 - The decision of the public authority shall be enforceable if it is not challenged within the statutory period.

SECTION III

Crimes

Article 37

Non-compliance with obligations relating to data protection

- 1 - Any person who intentionally:
 - (1) omits notification or the application for authorisation referred to in Articles 21 and 22;
 - (2) provides false information in the notification or in applications for authorisation for the processing of personal data or makes alterations in the latter which are not permitted by the legalisation instrument;
 - (3) misappropriates or uses personal data in a form incompatible with the purpose of the collection or with the legalisation instrument;
 - (4) promotes or carries out an illegal combination of personal data;
 - (5) fails to comply with the obligations provided for in this Act or in other data protection legislation when the time limit fixed by the public authority for complying with them has expired;
 - (6) continues to allow access to open data transmission networks to controllers who fail to comply with the provisions of this Act after notification by the public authority not to do so,shall be liable to up to one year's imprisonment or a fine of up to 120 days.
- 2 - The penalty shall be increased to double the maxima in the case of the personal data referred to in Articles 7 and 8.

Article 38

Undue access

- 1 - Any person who without due authorisation gains access by any means to personal data prohibited to him shall be liable to up to one year's imprisonment or a fine of up to 120 days, if a more severe punishment is not to be enforced due to a specific law.
- 2 - The penalty shall be increased to double the maxima when access:
 - (1) is achieved by means of violating technical security rules;
 - (2) allows the agent or third parties to obtain knowledge of the personal data;
 - (3) provides the agent or third parties with a benefit or material advantage.
- 3 - In the case of No. 1 criminal proceedings are dependent upon a complaint.

Article 39

Invalidation or destruction of personal data

- 1 - Any person who without due authorisation erases, destroys, damages, deletes or changes personal data, making them unusable or affecting their capacity for use, shall be liable to up to two years' imprisonment or a fine of up to 240 days, if a more severe punishment is not to be enforced due to a specific law.
- 2 - The penalty shall be increased to double the maxima if the damage caused is particularly serious.
- 3 - If the agent acts with negligence as referred to in the previous two numbers the penalty in both cases shall be up to one year's imprisonment or a fine of up to 120 days.

Article 40

Qualified non-compliance

- 1 - Any person who after being notified to do so does not interrupt, cease or block the processing of personal data shall be subject to a penalty corresponding to the crime of qualified non-compliance.
- 2 - The same penalty shall apply to any person who after being notified:
 - (1) without just cause refuses to provide his cooperation specifically required by the public authority;
 - (2) does not erase or totally or partially destroy the personal data;
 - (3) does not destroy the personal data after the period for keeping them provided for in Article 5 has elapsed.

Article 41

Violation of the duty of secrecy

1 - Any person bound by professional secrecy according to the law who without just cause and without due consent reveals or discloses personal data, totally or in part, shall be liable to up to two years' imprisonment or a fine of up to 240 days, if a more severe punishment is not to be enforced due to a specific law.

2 - The penalty shall be increased by half the maxima if the agent:

- (1) is a civil servant or equivalent, according to penal law;
- (2) acts with the intention of obtaining a material advantage or other unlawful gain;
- (3) adversely affects the reputation, honour and esteem or the privacy of another person.

3 - A person guilty of negligence shall be liable to up to six months' imprisonment or a fine of up to 120 days.

4 - Other than the cases provided for in No. 2, criminal proceedings are dependent upon a complaint.

Article 42

Punishment of attempt

Any attempt to commit the crimes provided for in this Section shall always be liable to punishment.

SECTION IV

Additional penalty

Article 43

Additional penalty

The following may be ordered in addition to the fines and penalties provided for in Sections II and III in this Chapter when applied:

- (1) temporary or permanent prohibition of processing, blocking, erasure or total or partial destruction of data;
- (2) publication of the judgement;
- (3) public warning or censure of the controller by the public authority.

Article 44

Publication of judgement

- 1 – The judgement shall be published at the expense of the person judged in the periodicals with the largest circulation published, one in Chinese and one in Portuguese, and by means of affixing a notice for a period of no less than 30 days.
- 2 – Publication shall be done by means of a summary containing information on the offence and the penalties applied and the identification of the agent.

CHAPTER IX

Final provisions

Article 45

Transitional provision

- 1 – The processing of data held in manual filing systems on the date of the entry into force of this Act shall be brought into conformity with Articles 7, 8, 10 and 11 within two years.
- 2 – At his request the data subject may in any event, in particular when exercising the right of access, obtain the rectification, erasure or blocking of incomplete or inaccurate data or data kept in a manner incompatible with the legitimate purposes of the controller.
- 3 – The public authority may provide that the data held in manual filing systems and kept solely for the purposes of historical research need not be brought into conformity with Articles 7, 8 and 9, provided they are in no case reused for a different purpose.

Article 46

Entry into force

This Act comes into force on the 180th day following its publication.

Approved on 4 August 2005.

The President of the *Legislative Council*, *Susana Chou*.

Signed on 10 August 2005.

Hereby published.

The Chief Executive, HO HAU WAH.

CERT

J. Stephen Peek, Esq.
Nevada Bar No. 1759
Brian G. Anderson, Esq.
Nevada Bar No. 10500
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
(702) 669-4600
(702) 669-4650 – fax
speek@hollandhart.com
bganderson@hollandhart.com

Attorneys for Plaintiff

DISTRICT COURT

CLARK COUNTY, NEVADA

LAS VEGAS SANDS CORP., a Nevada
corporation,

Plaintiff,

v.

STEVEN C. JACOBS, an individual; VAGUS
GROUP, INC., a Delaware corporation; DOES I
through X and ROE CORPORATIONS XI
through XX;

Defendants.

CASE NO.: A-11-648484-B
DEPT NO.: XI

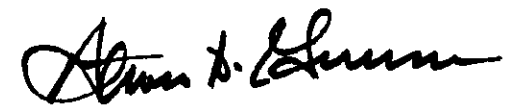
CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I certify that on September 30, 2011, I served a filed stamped copy of *Las Vegas Sands Corp.'s Ex Parte Motion for Temporary Restraining Order and Preliminary Injunction or in the Alternative for Protective Order* by depositing same in the United States mail, first class postage fully prepaid to the persons and addresses listed below:

James J. Pisanelli, Esq.
Debra L. Spinelli, Esq.
Todd L. Bice, Esq.
Pisanelli & Bice
3883 Howard Hughes Parkway, Suite 800
Las Vegas, Nevada 89169

Attorney for Defendants


An Employee of Holland & Hart LLP



CLERK OF THE COURT

NOTC

J. Stephen Peek, Esq.
Nevada Bar No. 1759
Justin C. Jones, Esq.
Nevada Bar No. 8519
Brian G. Anderson, Esq.
Nevada Bar No. 10500
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
(702) 669-4600
(702) 669-4650 – fax
speek@hollandhart.com
jcjones@hollandhart.com
bganderson@hollandhart.com

Attorneys for Las Vegas Sands Corp.

DISTRICT COURT

CLARK COUNTY, NEVADA

STEVEN C. JACOBS,

Plaintiff,

v.

LAS VEGAS SANDS CORP., a Nevada
corporation; SANDS CHINA LTD., a Cayman
Islands corporation; SHELDON G. ADELSON,
in his individual and representative capacity;
DOES I-X; and ROE CORPORATIONS I-X,

Defendants.

CASE NO.: A627691-B

DEPT NO.: XI

Date: October 18, 2011

Time: 9:00 a.m.

**NOTICE OF WITHDRAWAL OF
MOTIONS**

LAS VEGAS SANDS CORP., a Nevada
corporation,

Counterclaimant,

v.

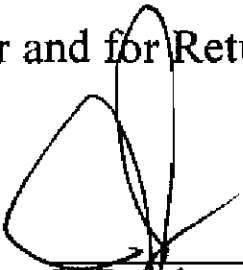
STEVEN C. JACOBS,

Counterdefendant.

Please take notice that the following Motions filed by Las Vegas Sands Corp. filed on
September 13, 2011, and set for hearing on October 18, 2011, at 9:00 a.m. are hereby withdrawn
without prejudice to refile in this action or in a separate action:

- 1. Motion to Compel Return of Stolen Documents Pursuant to Macau Personal Data Protection Act;
- 2. Motion for Leave to File Amended Counterclaim; and
- 3. Motion for Protective Order and for Return of Stolen Documents.

DATED September 19, 2011.



J. Stephen Peek, Esq.
Justin C. Jones, Esq.
Brian G. Anderson, Esq.
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

Attorneys for Las Vegas Sands Corp.

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I certify that on September 19, 2011, I served a true and correct copy of the foregoing **NOTICE OF WITHDRAWAL OF MOTIONS** by depositing same in the United States mail, first class postage fully prepaid to the persons and addresses listed below:

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 S. 7th Street
Las Vegas, Nevada 89101
382-5222
382-0540 – fax
djc@campbellandwilliams.com
jcw@campbellandwilliams.com

Attorneys for Plaintiff

Patricia Glaser, Esq.
Stephen Ma, Esq.
Andrew D. Sedlock, Esq.
Glaser, Weil, et., al.
3763 Howard Hughes Parkway, Suite 300
Las Vegas, Nevada 89169
650-7900
650-7950 – fax
pglaser@glaserweil.com
sma@glaserweil.com
asedlock@glaserweil.com

Attorneys for Defendant Sands China Ltd.

James J. Pisanelli, Esq.
Pisanelli & Bice
3883 Howard Hughes Parkway, Suite 800
Las Vegas, Nevada 89169
214-2100
214-2101 – fax
jjp@pisanellibice.com

Attorney for Plaintiff


An Employee of Holland & Hart LLP

Dineen Bergsing

From: Dineen Bergsing
Sent: Monday, September 19, 2011 3:09 PM
To: Donald Campbell; 'Colby Williams'; 'Patricia Glaser'; 'Stephen Ma'; 'Andrew Sedlock'; JJP@pisanellibice.com
Subject: LV Sands/Jacobs - Notice of Withdrawal of Motions
Attachments: Untitled.PDF - Adobe Acrobat Pro.pdf; image001.gif

Please see attached Notice of Withdrawal of Motions. A copy to follow by mail.

Dineen M. Bergsing

*Legal Assistant to J. Stephen Peek,
Justin C. Jones and David J. Freeman*
Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134
(702) 669-4600 - Main
(702) 222-2521 - Direct
(702) 669-4650 - Fax
dbergsing@hollandhart.com



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Allen D. Lamm

CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

LAS VEGAS SANDS CORP.

Plaintiff

vs.

STEVEN C. JACOBS, et al.

Defendants
.....

CASE NO. A-648484

DEPT. NO. XI

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

HEARING ON APPLICATION FOR TRO

SEPTEMBER 20, 2011

APPEARANCES:

FOR THE PLAINTIFFS:

J. STEPHEN PEEK, ESQ.

FOR THE DEFENDANTS:

JAMES J. PISANELLI, ESQ.
TODD BICE, ESQ.
DEBRA SPINELLI-HAYS, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

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APP000192

1 LAS VEGAS, NEVADA, TUESDAY, SEPTEMBER 20, 2011, 1:20 P.M.

2 (Court was called to order)

3 THE COURT: 'Afternoon, Mr. Peek.

4 MR. PEEK: Good afternoon, Your Honor. And thank
5 you for seeing me at this hour, because I am in a jury trial
6 in front of Judge McKibben, and I appreciate you --

7 THE COURT: Trying to get you in and out.

8 MR. PEEK: Yeah. Trying to give me the opportunity
9 to do this. And, Your Honor, I look at this as really a very
10 simple motion for temporary restraining, because it really is
11 only a temporary restraining order pending a preliminary
12 injunction hearing within at least two weeks or whenever the
13 Court can schedule this. And it's really very simple.

14 What we do know from at least the pleadings, the
15 motion, the affidavits, and complaint, as well, is that Mr.
16 Jacobs, who's the defendant here has -- either he or his
17 company, Vagus Group, Inc., have 11 gigabytes of data that
18 they have acknowledged they received while Mr. Jacobs was a
19 consultant or Vagus was a consultant with Las Vegas Sands and
20 the later, as the Court knows, we contend an employee for VML
21 in Macau. And there's no right to that data. Or whether --
22 whether you received that data in the ordinary course of his
23 consultancy or received that data in the ordinary course of
24 his employment at VML, he has no right to take that data from
25 Las Vegas Sands that he received in those -- in connection

1 with either of those capacities as an employee of VML or a
2 consultant for Las Vegas Sands.

3 And there's no question that he acknowledges that he
4 also received attorney-client communications and has not
5 turned those back over, contending that he has some right to
6 those attorney-client communications. And we've cited the
7 case of Montgomery versus Etrepid, which is a case actually,
8 Your Honor, interesting enough, that my office briefed, my
9 office argued -- well, actually I argued, it was my case, and
10 that case also says who owns that privilege. And in that case
11 it was Mr. Montgomery, who was a member of the entity Etrepid
12 Technologies, who claimed that he had a right to the attorney-
13 client communications. And the court held that he did not,
14 was not a managing member nor even one who had received
15 communications and even if he'd received it he wasn't entitled
16 to it.

17 So, Your Honor, this is really something that could
18 be flushed more in a preliminary injunction, but the concern
19 that we have is that this information is going to be
20 disseminated. We've asked that it not be disseminated. Prior
21 counsel, with whom we discussed this, said that he could not
22 agree to that. Mr. Pisanelli has also been asked -- I didn't
23 ask him myself, so I can only report what Mr. Jones tells me,
24 that Mr. Pisanelli was also asked to not disseminate that
25 information until we could have a full hearing on -- well,

1 that was really a motion for protective order in the companion
2 State Court case that pends in front of you where Mr. Jacobs
3 is plaintiff and Las Vegas Sands is a defendant, which, as I
4 understand from the Court's interpretation of the Supreme
5 Court order, that matter has been stayed. We respect that.

6 THE COURT: It says "action."

7 MR. PEEK: I'm not going to quarrel with you on
8 that, Your Honor. So we filed this case here in order to be
9 able to stop the dissemination.

10 THE COURT: Because Mr. Jones didn't like my idea of
11 going and asking the Nevada Supreme Court, which is what I --

12 MR. PEEK: Your Honor, it's not so much an idea of
13 asking the Supreme Court. I think it's an idea of --

14 THE COURT: To modify the stay.

15 MR. PEEK: Yeah. I get that. It's to modify the --
16 in other words, if we want to go forward, to modify the stay
17 or accept the stay, which is what Mr. Jones did, accepted the
18 Court's interpretation, went back and read it, and said, okay,
19 I get what you say. And the concern we had is by the time the
20 Supreme Court would act on that motion -- and I'm not here to
21 criticize the court, because they have a very busy calendar;
22 but I've heard many times from this Court every time Mr.
23 Morris is here, what do you hear from the Supreme Court, on an
24 action he has pending there. So, rather than do that, the
25 alternative because of the concerns that Las Vegas Sands over

1 the dissemination and actually now even the review of the
2 information by new counsel, all of whom we have sitting here,
3 we have three of them sitting here, Mr. Bice, Ms. Spinelli,
4 and Mr. Pisanelli, for this one motion --

5 THE COURT: Well, that's because Mr. Pisanelli was
6 stuck here with me all morning on another TRO hearing. He
7 probably didn't get to do what he wanted to do to be ready for
8 being here today.

9 MR. PEEK: I'm sure. Yeah.

10 THE COURT: We'll give him the benefit of the doubt
11 on that.

12 MR. PEEK: So we don't want this disseminated, we
13 don't want it reviewed, we want a restraining order in place
14 until we could have at least a hearing on a preliminary
15 injunction.

16 THE COURT: And you think because of what was
17 included in Mr. Williams's email dated July 8th, 2011 --

18 MR. PEEK: Yes.

19 THE COURT: -- that that's at a minimum the easy
20 thing to do?

21 MR. PEEK: I do think it's the easy thing to do at
22 least for those -- for that two-week period of time, Your
23 Honor, until we can get to the other --

24 THE COURT: Thank you.

25 MR. PEEK: Thank you.

1 THE COURT: And, Mr. Pisanelli, again, I know that
2 you have been busy because you've been stuck with me on other
3 stuff. So if you need to talk with Ms. Spinelli or Mr. Bice,
4 I'm happy to --

5 MR. PISANELLI: I appreciate that, Your Honor. I
6 think I'm prepared to make a few remarks anyway. And I'm even
7 more disturbed by this process than just the fact of being
8 busy.

9 Let me start with what bothers me the most, and that
10 is by all measures -- this thing has so many procedural
11 problems with it I don't know where to begin. But by all
12 measures it certainly appears to be one with not a pure
13 motive, let me put it that way. We have correspondence
14 between counsel dating back over a year, a year, dating from
15 November 2010 that communicated --

16 THE COURT: And you're referring to Mr. Campbell's
17 letter to Ms. Glaser dated November 30th, 2010?

18 MR. PISANELLI: That's right.

19 THE COURT: Okay.

20 MR. PISANELLI: Talking about a December
21 communication, they talked about it again in 2010. We have
22 another communication in January of 2011, we have another one
23 in July of this year, in August of this year, and only when
24 word gets out that Campbell & Williams is going to step out of
25 this case do we now rush to court with, whether they be

1 improper motions in the other case or new pleadings here, with
2 the very inflammatory statement of stolen records. Did it
3 come as a surprise to Your Honor? It certainly doesn't come
4 as a surprise to us or anyone who knows anything about this
5 case that this was going to be in the press, big, bold letters
6 that Sands is claiming that there's been stolen documents,
7 stolen documents in this emergency nature that they've known
8 about, even giving them their phrase, known about for well
9 over a year, documents, by the way, that they are very, very
10 well aware of, of how Mr. Jacobs came into possession of them
11 in the ordinary course of his work, yet giving them this
12 inflammatory tag that the press might be interested in
13 following. So I'm frustrated beyond words with what appears
14 to be an improper motive of how we got here in the first
15 place.

16 The procedural problems are even worse. We're
17 coming here, again rushing into court on a new action. New
18 action hasn't even been served yet. They just file it on
19 Friday and come in here asking for an emergency injunction on
20 Tuesday. One would think in the ordinary course,
21 notwithstanding the long history of the Jacobs dispute -- and
22 I'll call the first action the Jacobs dispute. But one would
23 think, if you even ignore that, that someone coming in on
24 emergency relief is going to do so with the utmost integrity
25 and clean hands. That is, if they're going to file this new

1 action on these documents, I would have heard about it Friday
2 when they filed the action, I would have seen the complaint
3 and the motion on Friday. But apparently they didn't want me
4 to prepare, they didn't want me to have access to the reams,
5 volumes of research that Campbell & Williams has done on this
6 topic in preparation over a year for this fight. Instead, I
7 got served with all of this stuff, Your Honor, less than
8 24 hours ago, last night, on the day that Mr. Jones knew I was
9 going to be in San Francisco. They sat on this complaint and
10 this motion throughout the entire weekend, and late yesterday
11 afternoon they send it by email. I didn't get a chance to
12 read it until about 15 minutes ago. And I don't think that
13 was a mistake.

14 THE COURT: Good thing we finished our other hearing
15 before lunch so you could take a break.

16 MR. PISANELLI: Otherwise that tall gentleman would
17 have been doing the argument without any doubt.

18 And so the fact that this thing shouldn't even be
19 before you because of the unclean hands in and of itself I
20 think serve as the basis to say not even a close call, Mr.
21 Peek.

22 But there's more fundamental problems. We have, as
23 you know as well anyone, a case pending before you already
24 that's been pending for some time, and at the heart of that
25 case --

1 THE COURT: The case that's stayed?

2 MR. PISANELLI: That's the one. At the heart of
3 that stayed case are these very issues, this evidence that
4 they are complaining about is going to be before you, before a
5 jury, it is going to be central to that fight.

6 So, rather than do what you not so subtly suggested
7 to Mr. Jones, go to the Supreme Court, plead your position,
8 let's have a fair debate on the issue, let's brief it, let's
9 talk about -- you didn't say this, but I certainly would have
10 -- let's talk about what you've been doing for the past year
11 knowing that this issue was outstanding, and let's make sure
12 that we keep all of the issues, all of the claims, all of the
13 debates inside one action. Why would we do that, Your Honor?
14 Because the law tells us to do that. Citing what we believe
15 is the seminal case on this point, Smith versus Hutchins, our
16 Supreme Court said, quote, "As a general proposition a single
17 cause of action may not be split and separate actions
18 maintained. The wrongful act of the defendant creates the
19 plaintiff's cause of action. Policy demands that all forms of
20 injury or damage sustained by the plaintiff as a consequence
21 of the defendant's wrongful act be recovered in one action,
22 rather than in multiple actions. Concomitantly, the single
23 cause of action rule bars one who has sustained personal
24 injury and property loss --" my screen just went dead "-- from
25 the same cause and who has prosecuted to judgment a suit for

1 either of his two elements of damage from thereafter suing to
2 recover the remaining element. The great weight of authority
3 supports the single cause of action rule when the plaintiff in
4 each case is the same person."

5 So what -- how does that play into this rule -- or
6 to this exercise? We have, of course, a motion for an
7 injunction, TRO today, preliminary injunction later. One of
8 the fundamental elements they will have to prove is that they
9 have a reasonable likelihood of success on the merits of this
10 new claim. I would suggest to Your Honor they have zero
11 likelihood of success on the merits of this claim, and not
12 even getting to the point of whether Mr. Jacobs is entitled to
13 manage these documents, control them, et cetera, but simply
14 that this cause of action cannot be maintained. It is a
15 fugitive action with one single purpose in mind, at least from
16 a legal perspective, in addition to the publicity, that is,
17 and that is to get around the Supreme Court's order.

18 Could you imagine in your CityCenter case, Your
19 Honor, with all of the frustrated lawyers that were before
20 you, and parties, because of that stay if they all started
21 filing their own cases to get to this discovery, to get to
22 that discovery, well, Your Honor, my case is really important,
23 I need to go to another case to accomplish X, Y, Z? As
24 complicated as that case is already, it would indeed become an
25 unmanageable one. And that's why you have single causes of

1 action.

2 They had a remedy available to them. This one was
3 not it. In light of what the Supreme Court tells us in the
4 Hutchinson [sic] case, this claim, this case cannot be
5 maintained, and therefore they cannot meet that simple element
6 of a reasonable likelihood of success on the merits.

7 Now, I've already told you about this concept of
8 unclean hands. Not only do the parties have to come to the
9 table with clean hands; so, too, do the lawyers. Why Mr.
10 Jones -- and I have to believe it was Mr. Jones and not Mr.
11 Peek, I know he's been in trial -- why he would sit on this
12 case over the weekend and strip us of the ability to prepare
13 is beyond me. I have no -- no possible explanation other than
14 the bad conclusion that it was an exercise in gamesmanship.

15 The fact that their clients and the lawyers have
16 been sitting on this issue for a year tells us a couple of
17 things. One, there's really no emergency. They've known what
18 was going on, they know what the records are. And simply if
19 there was an emergency, they're guilty of sitting on their
20 hands and have forfeited the right to come in here on less
21 than 24 hours and seek relief.

22 I also have to point out another infirmity in this
23 case, Your Honor, is one of standing. We're talking --

24 THE COURT: That was the one I picked up on right
25 away.

1 MR. PISANELLI: It comes as no coincidence to anyone
2 that we see Sands China counsel sitting in the front row.
3 THE COURT: Well, in the audience. She's behind the
4 bar.
5 MR. PISANELLI: Front row of the audience. My
6 question would be why isn't she sitting at the table. Because
7 that's really who this real party in interest is.
8 THE COURT: You know why that is. You know exactly
9 why, Mr. Pisanelli.
10 MR. PISANELLI: I do indeed.
11 THE COURT: So say it for the record.
12 MR. PISANELLI: So the Sands China can't be claimed
13 to have come into this court and thereby subject themselves to
14 jurisdiction.
15 THE COURT: Because they don't want to ask for
16 affirmative relief --
17 MR. PISANELLI: Right.
18 THE COURT: -- and subject themselves to --
19 MR. PISANELLI: So they have the parent corporation,
20 Las Vegas Sands --
21 THE COURT: So they're playing a game.
22 MR. PISANELLI: -- their affiliate, as a shell.
23 Instead of coming in to accomplish what it wants, they use a
24 corporate shell to try and get the same relief and get the
25 same benefit. And Your Honor saw through it even faster than

1 I did.

2 The last point I'll make, Your Honor, is this. We
3 have rules that govern what we do as parties and as lawyers.
4 We have rules of professional responsibility, we have rules of
5 evidence, we have rules of procedure. Those rules govern any
6 situation that is possibly raised by this issue. If at the
7 end of the day either I or Campbell & Williams or my client is
8 in possession of a document that should be returned, the rules
9 say how, in what manner that action shall occur. And the
10 rules also have some teeth to them, Your Honor. They say if
11 you don't follow them there are consequences that Your Honor
12 will be empowered to exercise as you deem appropriate in order
13 to insure that justice is carried out.

14 We don't come to Your Honor to say, Judge, we filed
15 a request for production of documents and we'd like a
16 mandatory injunction telling the other side to produce the
17 records we've asked for. That's not what you do. You have
18 rules that tell you what to do when you want to do things in a
19 discovery process, and we have consequences if we don't follow
20 those rules. You don't come in and say, forget all the other
21 rules, I'm in this precarious position because of the stay or
22 because it's better news if it's a TRO or whatever the excuse
23 will be. A TRO is not the proper method to deal with these
24 issues. We already have rules in place. I know what they
25 are. I will follow them.

1 I have looked at what Campell & Williams has done at
2 least preliminarily, and they clearly know what they are and
3 they clearly have followed them. And you can see, Your Honor,
4 from the many exhibits that Mr. Peek's group has attached that
5 Mr. Williams has been on top of this issue. And you can tell
6 from his actions he has researched this issue to death. He
7 has seen the law, he knows what the law is, and he has
8 followed it to the letter. The fact that they come in here at
9 this late hour trying to somehow make improper inferences with
10 the timing of this motion is disturbing, but it doesn't mean
11 that it should get some legs and some mileage and somehow turn
12 into something legitimate. It wasn't legitimate when it was
13 filed, and it should be dismiss outright right now. It surely
14 should not be the subject of any injunctive relief from you.

15 THE COURT: Mr. Peek.

16 MR. PEEK: Let me really start from the beginning of
17 his argument, when he said there's not a pure motive, and he
18 goes back to the correspondence between Ms. Glaser and Mr.
19 Campbell that started in November of 2010, shortly after the
20 complaint was filed by Mr. Campbell against Las Vegas Sands
21 and Sands China Limited. And if you look --

22 THE COURT: In Case Number A-627691.

23 MR. PEEK: The case number. Yes. Yes, Your Honor.

24 And if you look at what Ms. Glaser is requesting in
25 her letter, it focuses on certain discrete information that

1 she believes that Mr. Jacobs has in his possession. And let's
2 look at what Ms. Glaser requested.

3 THE COURT: And are you on her January 7th letter,
4 or the November --

5 MR. PEEK: No. I'm on her November 23rd letter,
6 Your Honor.

7 THE COURT: Okay. Thank you.

8 MR. PISANELLI: What exhibit is that, Steve?

9 MR. PEEK: That's Exhibit C.

10 MR. PISANELLI: Thank you.

11 MR. PEEK: Because Exhibit A I believe is the --

12 THE COURT: And all of these letters have --

13 MR. PEEK: -- Vagus contract.

14 THE COURT: All of these letters have on the re line
15 the Jacobs case.

16 MR. PEEK: Right. They do, the case that --

17 THE COURT: The earlier case.

18 MR. PEEK: The earlier case, that is correct.

19 What she writes is that Jacobs learned from --

20 "...reason to believe based on conversation with existing and
21 former employees and consultants for the company that Mr.
22 Jacobs has stolen company property, including, but not limited
23 to, three reports he while working for the company received
24 from Mr. Steve Vicars of International Risk, Limited."

25 And then Ms. Glaser asks and demands that he retain

1 those -- that he return those files. But it says -- receive
2 the reports. He's asking for the reports. And so what does
3 Mr. Campbell write back? He focuses on the reports.

4 THE COURT: And this is his November 30th letter
5 dated -- Exhibit E?

6 MR. PEEK: Yes, I believe that one is Exhibit E.

7 Okay. And he writes, of course, about the case that
8 Mr. Pisanelli and I and Mr. Campbell were involved in and he
9 hasn't has time to focus on it but that he will focus on it.
10 Nowhere do we -- you remember that case, as well, Your Honor.
11 I know that Mr. Pisanelli and I remember it.

12 MR. PISANELLI: Apparently not warmly, I should say,
13 from your --

14 THE COURT: I just can't get away from you guys.

15 MR. PEEK: And so finally, Your Honor, it ends up in
16 a return of at least two of those reports back to Ms. Glaser.
17 Nowhere in the body of any of those letters does Mr. Campbell
18 or Mr. Williams say, and, oh, by the way, folks, I've got
19 11 gigabytes of data that came into my possession during the
20 time that I was a president and CEO of Sands China, Limited,
21 in Macau, or that, I obtained information and documents while
22 I was in Macau that related to Las Vegas Sands that came into
23 my possession as a consultant of Vagus. Nowhere do we see
24 any of that at all. So when they say, well, not a pure
25 motive, you've known about this, we didn't find out about the

1 11 gigabytes of data until July of 2011.

2 THE COURT: July 8.

3 MR. PEEK: July 8 --

4 THE COURT: And that's Exhibit F.

5 MR. PEEK: -- when Mr. Williams writes to us and
6 tells us that he has 11 gigabytes of data. You may recall,
7 Your Honor, that we were working on protocols for e discovery,
8 we were trying to both get productions, we had timings of
9 productions, and we were getting along well, trying to work
10 through those issues. Now all of a sudden we learn that he's
11 got 11 gigabytes of data.

12 And then Mr. Pisanelli then jumps to the conclusion
13 and says, okay, so now Campbell & Williams decides to get out
14 and we decide to file the motion for protective order. Well,
15 what he doesn't tell the Court, and although I didn't
16 participate, I do know that Ms. Glaser and Mr. Jones -- I
17 think Mr. Jones was on this call -- called Mr. Campbell to
18 have a meet and confer about returning the documents, not
19 disseminating the information within the documents, or not
20 disclosing the documents to a third party. They had that
21 conference -- or that meet and confer about two weeks ago, I
22 believe, and it was during that conference call -- actually,
23 it was a followup call, I think, that -- this was on a -- I
24 think a Thursday or a Friday, and there was a followup call on
25 Monday that Ms. Glaser had to follow up the meet and confer

1 because Mr. Williams said, well, I've got to talk to my client
2 and I've got to talk to Mr. Campbell and let's talk about it
3 again on Monday. Again, the subject matter was returning the
4 documents, not disseminating the information with the
5 documents, and not disseminating the documents themselves.

6 The followup call on Monday -- again I'm going to
7 this not pure motive that Mr. Pisanelli suggests is the reason
8 why it was -- you know, the other motions for protective order
9 were filed was because we're gaming his firm because Mr.
10 Jacobs was seeking new counsel. It was in that followup meet
11 and confer to discuss this subject matter that we learned that
12 Campbell & Williams was going to be out of the case. We did
13 not know who substitute counsel would be. We just were told
14 on this Monday, and that was Monday, the 12th, because I think
15 that Mr. Pisanelli surfaced in the newspaper on I believe
16 Wednesday.

17 THE COURT: That's where I found out about it.

18 MR. PEEK: That's why I found out about it, was in
19 the newspaper blog on Wednesday evening. And maybe that's
20 where Jim learned about it, too. I don't know. It may be.

21 But, in any event, to say that we did this on an
22 unpure motive because we've known about this for a year is not
23 truthful, Your Honor. And I just understand how he draws his
24 conclusions, but his conclusions are wrong.

25 Now, I don't know about why Mr. Jones did not serve

1 the papers that were filed. I don't even know when they were
2 filed Friday, because I was in my own trial and dealing with
3 my own issues. And why they were not served over the weekend
4 on Mr. Pisanelli I don't know. And I do know that on Monday
5 Mr. Pisanelli was asked if he would accept service, and Mr.
6 Pisanelli did not respond one way or the other as to whether
7 he would accept service for Mr. Jacobs, although we had
8 finally learned by Monday that in fact there was a
9 substitution that Mr. Pisanelli had executed -- or that his
10 client -- new client had executed. So we now knew for sure
11 that he was going to be lawyer, so we --

12 THE COURT: Actually, we knew on Friday, when they
13 were all here in court.

14 MR. PEEK: The substitution hadn't yet been filed.
15 But you're right --

16 THE COURT: No. But he told us.

17 MR. PEEK: I wasn't here on Friday. But I think he
18 said, I'm the lawyer, I accept that.

19 THE COURT: We take him at his word when he says
20 that.

21 MR. PEEK: I take him at his word.

22 THE COURT: And he told us all he would be in San
23 Francisco on Monday when we were all in here on Friday.

24 MR. PEEK: That I did not know, Your Honor. I was
25 not here. That he was going to be in San Francisco on Monday.

1 And I'm happy to have this hearing -- you know --

2 THE COURT: It's okay.

3 MR. PEEK: I mean, if I had known that, I certainly
4 would have moved this hearing --

5 THE COURT: So can I stop you and ask a couple of
6 questions.

7 MR. PEEK: Certainly.

8 THE COURT: The reason I set it today was because he
9 was going to be here on another case this morning.

10 Here's my concern. As part of your ex parte
11 application for a TRO and for preliminary injunction in Case
12 Number A-648484 it appears that you are asking for some
13 alternative relief, which is essentially a motion for
14 protective order, which seems like a discovery issue that is
15 clearly related to our other case, the one that is stayed. I
16 have concerns that this case is really a discovery dispute
17 under Case Number A- --

18 MR. PEEK: It's a conversion of property case, Your
19 Honor, because it says conversion in the complaint.

20 THE COURT: I see it. It's Case Number A-627691,
21 and the parties and their counsel have been dealing with this
22 issue in that case for about a year. One would think that it
23 would be a good idea to ask the Nevada Supreme Court to at
24 least set the stay aside to the extent they deem it
25 appropriate so that the parties could have this discovery

1 dispute heard, rather than having a new action which is
2 alleged to be a trade secret case --

3 MR. PEEK: Yes.

4 THE COURT: -- and confidential information in
5 breach of a confidentiality agreement case, which looks a lot
6 like a counterclaim that somebody wanted to file in the other
7 case.

8 MR. PEEK: I would agree with that, Your Honor.

9 THE COURT: So --

10 MR. PEEK: And I would not be --

11 THE COURT: -- here's what I'm going to do for you.
12 I'm going to grant a very limited TRO which will preclude
13 anyone who is on the current defendants' side in this case
14 from disseminating any of the 11 gigabytes of information to
15 anybody else besides that law firm until we have the
16 preliminary injunction hearing. So that means Mr. Pisanelli
17 can look at it, and if he thinks it's appropriate to do a
18 privilege log or send it to an ESI, he can do that. Because
19 that's what Mr. Williams said he was going to do as part of
20 the discovery dispute in the other case.

21 Mr. Pisanelli, what do you want to say?

22 MR. PISANELLI: Yeah. We have all of these bad
23 circumstances of coming in here seeking relief, including the
24 very inflammatory temporary restraining order to stop me from
25 doing something I have never addressed one way or another that

1 I'm going to do.

2 THE COURT: And you're not intending to do that, are
3 you?

4 MR. PISANELLI: No. And that is my point. Ask me
5 the --

6 THE COURT: See, he says, no harm, no foul.

7 MR. PISANELLI: -- ask me the question, and I'll
8 give them an answer. But to have an injunction imposed
9 against our client in a case that they're clearly trying in
10 the press, Your Honor, is an unfair thing.

11 MR. PEEK: Your Honor, I --

12 THE COURT: Gentlemen. Gentlemen. This is really
13 easy. Mr. Pisanelli and his client aren't going to disperse
14 these documents to any third party.

15 MR. PEEK: Disseminate to any third party.

16 THE COURT: Disseminate. And if you'd ask them
17 that, he said he would have done it. But because of the --

18 MR. PEEK: Your Honor, I --

19 THE COURT: Wait. Wait. I'm not finished.

20 MR. PEEK: I understood at the hearing on Friday
21 that he was asked that. I thought that that's what happened
22 with Mr. Jones and Mr. Maw, who were here.

23 THE COURT: I don't think that's what happened.

24 MR. PEEK: I --

25 THE COURT: I know that Ms. Glaser's saying that's

1 what happened, but that's not what I think happened.

2 Ms. Glaser, it's probably not a good idea, given the
3 game that's being played right here, if you say anything.

4 MR. PEEK: There's no game here, Your Honor. This
5 is not about gamesmanship.

6 THE COURT: If you say so, Mr. Peek.

7 So the reason I'm giving you this relief on this is
8 because it will take you two weeks to get the Supreme Court to
9 carve out this issue from the stay. I'm not inclined to
10 extend it beyond the two weeks.

11 MR. PEEK: I get that, Your Honor.

12 THE COURT: It's real easy to say, Dear Supreme
13 Court, this issue is -- the stay is overbroad, we need you to
14 narrow the stay, can you please let us do something. Because
15 it's silly to make you file a new action and pay my \$1500
16 filing fee in Business Court, which is okay, they appreciate
17 it at the General Fund of the County. But, you know, it's --

18 MR. PEEK: We're always -- we're all about helping
19 the General Fund of the County, Your Honor.

20 THE COURT: -- silly. It's silly.

21 MR. PEEK: I get that, Your Honor.

22 THE COURT: So --

23 MR. PISANELLI: Your Honor, one point. I just have
24 to tell you and make the record. I'm highly offended by the
25 circumstances in which this was brought. The fact that my

1 client now, as they're trying their case in the press, has an
2 injunction against them is wholly unfair. You can accomplish
3 the same with a case management order on a topic I've already
4 agreed to. An injunction really is rewarding this type of
5 gamesmanship, rewarding how they sat on it, rewarding that
6 they're violating an order, rewarding that they're taking and
7 splitting their causes of action. I know that's not your
8 intent, to tell them that this type of stuff is okay. I think
9 I'm reading you clearly. But we can get to the same place
10 without Mr. Jacobs having to pay the price for this type of
11 gamesmanship.

12 THE COURT: In most cases I would have had both
13 sides agree as to a treatment of the attorney-client privilege
14 documents. But because of the position that Ms. Glaser's
15 client is taking, it's probably not going to happen in the
16 other case, which is going to create problems for us in trying
17 to fashion a remedy here.

18 I am not going to extend this TRO. If Mr. Peek
19 doesn't get it on in front of the Supreme Court to get them to
20 lift the stay, then you're going to do what a lawyer who is
21 ethically bound to do the right thing is going to do, and
22 you're probably going to do what Mr. Williams said in the
23 email last summer, because that's the right thing to do. And
24 it should have been done then. And while both sides in the
25 Jacobs versus Las Vegas Sands case seem to be trying their

1 matter in the press, because I read about this case more in
2 the press than I read about it --

3 MR. PEEK: Your Honor, I've made no press releases.

4 THE COURT: Wait. Wait. I didn't say it was you,
5 Mr. Peek. I read more about this case in the press and I
6 learn more about this case in the press than I do from the
7 filings you make in front of me. And I don't know who's doing
8 it, I know somebody's doing it.

9 MR. PEEK: I don't think anybody's doing it, Your
10 Honor.

11 THE COURT: But -- I don't know who's doing it, but
12 this -- I understand why you have to do this particular thing
13 because of the situation that you're in because of an
14 overbroad stay that was issued by the Nevada Supreme Court.
15 It's probably a good idea to go address the issue with them,
16 like I said on Friday.

17 MR. PISANELLI: My point is only one of labels, Your
18 Honor. And with the label that's --

19 THE COURT: So do you want me to call it an interim
20 order?

21 MR. PISANELLI: Yes, I do.

22 THE COURT: Okay. I'll call it an interim order.

23 MR. PISANELLI: And we waive the bond on the --

24 MR. PEEK: We'll call it an interim order, Your
25 Honor.

1 MR. PISANELLI: And we waive the bond under those
2 circumstances. Makes it easier.
3 THE COURT: We'll call it an interim order. Yeah,
4 you don't need a bond. You don't have to have a bond.
5 MR. PEEK: We'll call it interim order, and we'll
6 submit it.
7 THE COURT: And you guys will just not distribute
8 the materials to any third party. And I assume that you will
9 work on an ESI protocol someday in the other case --
10 MR. PEEK: We have one.
11 THE COURT: -- which we were doing before the stay
12 was entered.
13 MR. PEEK: We have one, Your Honor.
14 THE COURT: I don't know, Mr. Peek.
15 MR. PEEK: But we didn't -- all right. I'm going to
16 shut up.
17 THE COURT: See, the reason I don't know is
18 because --
19 MR. PEEK: I'm going to shut up, because I'm -- you
20 know, I win, Your Honor, at least. I won enough.
21 THE COURT: You won. Go see Judge McKibben. Give
22 him my best. I haven't seen him in years.
23 THE PROCEEDINGS CONCLUDED AT 1:52 P.M.
24
25

* * * * *


CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

FLORENCE HOYT
Las Vegas, Nevada 89146



FLORENCE HOYT, TRANSCRIBER

9/25/11

DATE

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

IN THE SUPREME COURT OF THE STATE OF NEVADA

LAS VEGAS SANDS CORP.,

Petitioner,

v.

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

Respondents.

and

STEVEN C. JACOBS,

Real Party in Interest.

Supreme Court No.

District Court Case No. A627691-B/Dept XI

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Sep 26 2011 11:35 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

EMERGENCY PETITION UNDER NRAP 21(a)(6) and NRAP 27(e)

**LAS VEGAS SANDS, CORP'S EMERGENCY ORIGINAL PETITION FOR WRIT OF
MANDAMUS**

(ACTION NECESSARY ON OR BEFORE OCTOBER 4, 2011)

HOLLAND & HART LLP

J. Stephen Peek, Esq.
Nevada Bar No. 1759
Brian G. Anderson, Esq.
Nevada Bar No. 10500
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

*Attorneys for Petitioner Las Vegas
Sands Corp.*

Honorable Elizabeth G. Gonzalez
Eighth Judicial District Court of
Clark County, Nevada
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

Respondents

PISANELLI BICE PLLC

James J. Pisanelli
Todd L. Bice
Debra L. Spinelli
3883 Howard Hughes Parkway, Suite 800
Las Vegas, Nevada 89169

*Attorneys for Real Party in Interest Steven C.
Jacobs*

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PETITION FOR WRIT OF MANDAMUS

Petitioner Las Vegas Sands, Corp. ("LVSC"), by and through its counsel of record, the law firm of Holland & Hart LLP, and pursuant to NRS 34.160, NRAP 21(a)(6) and NRAP 27(e), respectfully petitions the Court for the issuance of Extraordinary Writ Relief for the limited purpose of allowing the Honorable Elizabeth Gonzalez, District Court Judge of the State of Nevada, in and for the County of Clark, to address two motions brought by LVSC. These motions seek the return of documents stolen from LVSC by Steven C. Jacobs ("Jacobs"). Specifically, in order to avoid continued irreparable harm and to obtain the return of its property, LVSC seeks a partial lifting, or carve out, of the stay ("Stay") set forth in this Court's August 26, 2011 *Order Granting Petition For Writ Of Mandamus* ("Order") in Supreme Court Case No. 58294, which states "the district court shall stay the underlying action, except for matters relating to a determination of personal jurisdiction, until a decision on that issue has been entered." See Petitioner's Appendix ("PA") 1-4.

I.

INTRODUCTION

Jacobs has stolen and refuses to return documents and electronically stored information that belong to LVSC. Many of those documents are privileged, confidential or contain otherwise sensitive information. Jacobs' actions have caused and continue to cause LVSC irreparable harm. LVSC sought an order from the court below compelling the return of the documents and data. The District Court, however, expressed concern that it did not have jurisdiction to act on those motions in light of the Stay in the Order. LVSC now brings this Petition before the Court seeking extraordinary relief. Unless the District Court orders Jacobs to return the documents, LVSC will continue to suffer irreparable harm.

By way of this emergency Petition, LVSC seeks review of the Order issued in response to the writ of mandamus by its co-defendant SCL in Supreme Court in Case No. 58294.¹ After the lower court declined to hear LVSC's motions for return of stolen property based on its concern

¹ Pursuant to that Order, the District Court set a jurisdictional hearing for November 21-22, 2011 and ordered the parties to disclose a list of witnesses and documents.

1 that it lacked jurisdiction under the Order, LVSC filed a separate lawsuit based on conversion and
2 misappropriation, seeking return of its property (A648484-B, the "Second Case"). The Second
3 Case was also assigned to the Honorable Judge Gonzalez and LVSC immediately moved for
4 injunctive relief to compel the return of documents. The District Court provided LVSC with a
5 temporary interim order, preventing dissemination of the documents for two weeks. Judge
6 Gonzalez also instructed LVSC seek clarification as to whether the Stay precluded her court's
7 jurisdiction to hear LVSC's motions in the underlying case ("First Case").

8 LVSC has already suffered irreparable harm. Jacobs' actions are compounding the harm
9 by virtue of his new counsel reviewing and using the stolen documents for the upcoming
10 Evidentiary Hearing that this Court has directed the District Court to undertake. This disclosure
11 is contrary to the representations of Jacobs' prior counsel and is in violation of the Interim Order.
12 LVSC finds itself without remedy in light of the District Court's concerns over its jurisdiction
13 under the Stay. Wherefore, LVSC respectfully petitions this Honorable Court to provide a carve
14 out of the Stay set forth in the Order, and to clarify that the District Court has jurisdiction to
15 address LVSC's motions seeking return of its property.

16
17 **II.**

18 **ISSUE PRESENTED**

19 Whether LVSC is entitled to partial relief, or a carve out, from the stay set forth in this
20 Court's August 26, 2011 *Order Granting Petition For Writ Of Mandamus*, to allow the District
21 Court to address LVSC's motions regarding Jacobs' improper retention and use of documents.

22 **III.**

23 **RELIEF SOUGHT**

24 That an Extraordinary Writ be issued under the seal of this Court providing for partial
25 relief, or a carve out, from the stay set forth in the Court's August 26, 2011 *Order Granting*
26 *Petition For Writ Of Mandamus*, to allow the District Court to address LVSC's motions for
27 protective order and to compel the return of documents.

28 ///

///

IV.

STATEMENT OF FACTS

A. This Court's Order Regarding Sands China Ltd's Writ Petition Stays Underlying Case.

On or about May 5, 2011, Sands China Ltd. ("SCL") filed its Writ Petition in Supreme Court Case No. 58294 challenging the District Court's order denying SCL's Motion to Dismiss for Lack of Personal Jurisdiction in the First Case.² On August 26, 2011, the Court issued its Order granting SCL's Writ Petition in part and instructing the District Court to stay the First Case and to hold an evidentiary hearing ("Evidentiary Hearing") on personal jurisdiction. *See* PA 1-4. In relevant part, the Order states as follows:

We further direct that the district court shall stay the underlying action, except for matters relating to a determination of personal jurisdiction, until a decision on that issue has been entered. We therefore

ORDER the petition GRANTED AND DIRECT THE CLERK OF THIS COURT TO ISSUE A WRIT OF MANDAMUS instructing the district court to hold an evidentiary hearing on personal jurisdiction, to issue findings of fact and conclusions of law stating the basis for its decision following that hearing, ***and to stay the action*** as set forth in this order until after entry of the district court's personal jurisdiction decision.

Id. at 3 (emphasis added). LVSC was not a party to the SCL Writ Petition and was not served with the Order. *Id.* at p. 4.

B. Jacobs' Counsel Reveals Jacobs is in Possession of Eleven Gigabytes of Documents, Containing Sensitive Information, Which Jacobs will not Return or Agree to not Disclose to Third Parties.

On September 13th, LVSC moved the District Court for a protective order and to compel Jacobs to return stolen documents.³ LVSC's motions were filed after Jacobs' (now former⁴) counsel revealed that Jacobs had approximately eleven gigabytes of documents in his possession, obtained from LVSC, SCL and/or SCL's subsidiary, Venetian Macau Limited ("VML"). *See* PA

² The underlying case (A627691) was brought by Steven C. Jacobs against LVSC and SCL whereby Jacobs alleges he was wrongfully terminated. The underlying case forms the basis for LVSC's Writ Petition and is referred to herein as the First Case. *See* AP 50-66. As is examined below, LVSC has filed a separate complaint against Jacobs alleging the theft of company property and misappropriation of trade secrets, referred to herein as the Second Case. *See* AP 17-25.

³ LVSC filed its motions with the understanding that the Court's Order and Stay related only to SCL because, among other things, LVSC was not a party to SCL's Writ Petition. LVSC's motions were withdrawn upon the District Court's expressed concern that it did not have jurisdiction in light of the stay to hear the motions. PA13-16.

⁴ Jacobs recently announced that he has substituted new counsel, Pisanelli Bice, to replace Campbell & Williams.

1 5-6. That trove of documents and information contains, among other things, attorney-client
2 communications between LVSC and its counsel. *Id.* Despite repeated demands and attempts to
3 meet and confer to arrange for the return of LVSC's property, Jacobs' former counsel at Campbell
4 & Williams represented that:

- 5 1. Jacobs and his counsel are in possession of documents which Jacobs acquired
6 during the course of his employment.
- 7 2. The documents may be subject to the attorney-client privilege.
- 8 3. Jacobs does not believe that he is bound to keep confidential those documents
9 obtained during the course of his employment because he asserts that he did not
10 sign any confidentiality policy or document containing a confidentiality provision.
- 11 4. Jacobs believes that Macau data privacy laws do not prohibit him from disclosing
12 documents in this matter and that Macau data privacy laws are being used by
13 Defendants as a "farcical canard" to avoid disclosure of documents.
- 14 5. Based upon the foregoing, Jacobs refused to comply with the request for return of
15 documents obtained during the course of his employment and would not commit
16 that he has not or will not provide such documents to third parties.

17 PA 7-8; *see also* PA 9-10. Jacobs' prior counsel also stated, "[w]hile Steve is unable to 'return'
18 the documents to Defendants, ***we agreed not to produce the documents in this litigation*** until the
19 issue is resolved by the Court. Additionally, ***our firm will continue to refrain from reviewing***
20 ***the documents*** so as not to create any issues regarding the documents containing communications
21 with attorneys." *See* AP 11." PA 11-12. Soon thereafter, LVSC discovered from the press that
22 Jacobs had retained the law firm of Pisanelli Bice LLP to replace Campbell & Williams as
23 counsel.

24 ***C. The District Court Expresses its View that it Cannot Address LVSC's Requested Relief***
25 ***Because this Court's Stay Order Stays the Entire First Case.***

26 On September 16, 2011, at a status conference regarding scheduling issues related to
27 Evidentiary Hearing, LVSC's counsel advised the District Court of LVSC's pending motions
28 regarding Jacobs' improper retention and use of documents. The District Court expressed
concerns that it could not address LVSC's motions because it interpreted the Court's Order to stay
the entire First Case, except as specifically addressed in the Order. Based on the District Court's
statement regarding the Stay, the motions were withdrawn. *See* PA 13-16.

D. LVSC files Separate Action for Conversion and Misappropriation of Trade Secrets.

Following the District Court's statement that it lacked jurisdiction to address LVSC's

1 motions, and due to the immediate harm, LVSC filed the Second Case entitled *Las Vegas Sands*
2 *Corp. v. Steven Jacobs and Vagus Group, Inc.*, District Court Case No. A648484-B, based on
3 conversion and misappropriation of trade secrets. *See* PA 17-25. In the Second Case, LVSC
4 immediately moved for a temporary restraining order and preliminary injunction to compel the
5 return of documents or at least to prevent Jacobs, Vagus Group, and their agents, affiliates, family
6 members, and other representatives from reviewing, producing or disseminating stolen company
7 documents and information to third-parties. *See* PA 26-39.

8 ***E. The District Court's Interim Order.***

9 On September 20, 2011, the District Court issued an interim order ("Interim Order") in the
10 Second Case only prohibiting the defendants from disclosing or disseminating any documents or
11 information contained therein, obtained in connection with their consultancy with LVSC and/or
12 employment with SCL and VML, to any third party, other than their own counsel. *See* PA 40-41.
13 However, the District Court made clear that this temporary relief would expire after two weeks
14 and directed LVSC to address the breadth of the Stay in this Court's Order by seeking partial
15 relief or a carve out, to allow the District Court to address LVSC's motions in the First Case.⁵
16 Accordingly, the District Court's Interim Order in the Second Case provides only temporary
17 protection to allow LVSC to petition this Court, but this temporary relief will expire on October
18 4, 2011. *See id.*

19 ***F. Jacobs Discloses Stolen Documents in the First Case.***

20 On September 23, 2011, at about 7:45 p.m., Jacobs' new counsel at Pisanelli Bice LLP
21 emailed supplemental discovery disclosures to counsel for LVSC and SCL. AP 88-94. The
22 documents identified in the supplemental disclosures reveal that Pisanelli Bice does not feel
23 constrained by the representations of Jacobs' former counsel, as additional stolen documents have
24 plainly been reviewed and disclosed. *See id.* Jacobs identified a range of documents which could
25 only have been obtained by wrongful retention of documents following his employment. For
26 example, Jacobs identified correspondence from LVSC's general counsel, chief financial officer,

27 ⁵ LVSC believes that the Second Case (A648484) is based on different facts relating to the theft and retention, by
28 Jacobs, of company property and is distinct from the underlying, first case (A627691), filed by Jacobs, relating to his
allegations of wrongful termination. *See* PA 17-25; 50-66.

1 and other high ranking employees who were privy to confidential information, as well as a host of
2 other documents wrongfully retained following his employment. *See id.* Jacobs' recent
3 disclosures demonstrate that not only is Jacobs in wrongful possession of LVSC's property, but
4 that, contrary to his prior counsel's assurance, he intends to submit documents into evidence in a
5 public hearing, which will obviously allow for dissemination to third parties. The supplemental
6 disclosures further demonstrate the inadequate nature of the limited Interim Order which will
7 quickly expire. Without this Court's intervention, LVSC is without legal recourse to prevent
8 further disclosure and dissemination of its documents by Jacobs and his new attorneys –
9 documents which they have no legal right to possess. Additionally, without this Court's
10 intervention, LVSC cannot seek to prevent Jacobs, or his counsel's, continued review and/or
11 dissemination of attorney-client privileged documents.

12 **G. *LVSC is without Plain, Speedy, and Adequate Remedy and Files this Current Petition.***

13 On September 20, 2011, while LVSC was attempting to obtain relief from the District
14 Court, this Court issued its Notice in Lieu of Remittitur ("Remittitur"), closing the docket for
15 Case No. 58294. *See* PA 42. LVSC was not a party to SCL's Writ Petition and was not served
16 with the Remittitur. *Id.* Accordingly, LVSC was unaware it had become unable to file its
17 prepared motions to intervene and to lift stay in the SCL Writ Petition proceeding until it was
18 informed of the Remittitur by the Court's clerk's office. Accordingly, LVSC is without a plain,
19 speedy and adequate remedy in the ordinary course of law. Therefore, LVSC submits this
20 Petition for extraordinary writ relief to allow the District Court to address LVSC's motions
21 regarding Jacobs' improper retention and use of documents.

22 **V.**

23 **POINTS AND AUTHORITIES IN SUPPORT**
24 **OF EMERGENCY ORIGINAL PETITION FOR WRIT OF MANDAMUS**

25 **A. *Petitioner is Entitled to the Issuance of Extraordinary Writ Relief.***

26 "This court has original jurisdiction to issue writs of prohibition and mandamus" and "also
27 all writs necessary or proper to the complete exercise of its appellate jurisdiction." *See D.R.*
28 *Horton, Inc. v. Eighth Judicial Dist. Court*, 125 Nev. 449, 215 P.3d 697 (2009); Nev. Const. Art.

6, § 4. Extraordinary writ relief may be issued in “cases where there is not a plain, speedy and adequate remedy in the ordinary course of law.” *See* NRS 34.170; NRS 34.330. “[T]he decision as to whether a petition will be entertained lies within the discretion of this court.” *Barnes v. Eighth Judicial Dist. Court*, 103 Nev. 679, 681, 748 P.2d 483, 485 (1987). The Court has further held, “where circumstances reveal urgency or strong necessity, this court may grant extraordinary relief.” *Mineral County v. State, Dept. of Conservation and Natural Res.*, 117 Nev. 235, 243, 20 P.3d 800, 805 (2001) (internal citation omitted). The facts of this case present just those circumstances.

The Court’s intervention is warranted here because, as a result of the Stay, petitioners are without a plain, speedy and adequate remedy in the ordinary course of law to compel the return of stolen property or to prevent Jacobs from reviewing, using or disclosing sensitive and privileged documents. *See* PA 3. Additionally, the circumstances here reveal urgency and strong necessity as the Interim Order will expire on October 4, 2011, exposing LVSC to the irreparable harm of having its misappropriated confidential information wrongfully disclosed to competitors or other third parties. *See* PA 40-41. Indeed, neither the Interim Order nor the representations of prior counsel appear to have dissuaded Jacobs from disclosing documents for the forthcoming Evidentiary Hearing to adjudicate whether the District Court holds general personal jurisdiction over SCL. Clearly, the Interim Order is an inadequate remedy which appears to have failed to prevent the very harm LVSC has sought, and is seeking, to prevent. Further, the Interim Order is a temporary remedy, which will expire shortly, on its own terms. Thus, the Court’s discretion in addressing LVSC’s Writ Petition is necessary for LVSC to prevent additional irreparable harm.

LVSC moved the District Court for a protective order and to compel the return of documents in the First Case; however, the District Court expressed its view that it did not have jurisdiction in light of the Stay to hear the motions. In the Second Case (for conversion and misappropriation of trade secrets) LVSC moved for injunctive relief compelling the return of documents; however, the Court simply entered Interim Relief and directed LVSC to Petition the Court in connection with the First Case. Accordingly, if LVSC’s Petition is not entertained by this Court, following the expiration of the Interim Order, LVSC will suffer additional irreparable

1 harm. Indeed, until the District Court resolves SCL's jurisdictional issues, LVSC will be without
2 a legal mechanism to prevent Jacobs or his counsel from reviewing, producing or disseminating
3 documents which may contain, without limitation, trade secrets, confidential research,
4 commercial information, attorney-client privileged correspondence or work product, or data
5 protected by Macau law. Jacobs' recent discovery disclosures confirm the legitimacy of LVSC's
6 concerns that attorney-client correspondence and other privileged information is being reviewed.
7 Accordingly, the Court should exercise its discretion and consider the merits of LVSC's Petition.
8 *See Barnes*, 103 Nev. at 681-82.

9
10 **B. Emergency Relief is Warranted as LVSC's Limited Protection will Expire on October 4, 2011.**

11 "A petition that requests the court to grant relief in less than 14 days shall also comply
12 with the requirements of Rule 27(e)." *See* NRAP 21(a)(6). To certify that relief is needed in less
13 than 14 days, the petitioner is governed by the following requirements:

- 14 • Before filing the motion, the movant shall notify the clerk of the Supreme Court and opposing counsel and serve the motion at the earliest possible time.
- 15 • The motion shall include the title "Emergency Motion Under NRAP 27(e)" and state the date or event by which action is necessary.
- 16 • The motion shall be accompanied by a certificate of counsel for the movant, entitled "NRAP 27(e) Certificate," that contains the telephone numbers and office addresses of the attorneys for the parties; the facts showing the existence and nature of the claimed emergency; and when and how counsel for the other parties were notified and served.
- 17 • The motion shall state whether all grounds advanced in support of the motion in the Supreme Court were submitted to the district court.

18
19
20 *See* NRAP 27(e)(1)-(4).

21 Under the foregoing standard, the Court should grant emergency relief to LVSC. The
22 emergency nature of LVSC's Petition is set forth throughout this Petition and specifically stated
23 in LVSC's "NRAP 27(e) Certificate." *See* NRAP 27(e)(2), (3). The District Court's Sept 20,
24 2011 Interim Order in the Second Case, preventing Jacobs from any disclosure or dissemination
25 of the documents at issue, will expire October 4, 2011. *See* PA 40-41. In entering this Interim
26 Order, the District Court expressly recommended that the parties seek partial relief, or a carve out
27 of the Order staying the First Case, to allow the District Court to address LVSC's discovery
28 motions regarding Jacobs' improper retention and use of documents. Indeed, Pisanelli Bice's

1 recent discovery disclosures demonstrate that Jacobs and his new counsel do not feel bound by
2 the representations of Jacobs' prior counsel or the Interim Order. *See* AP 11-12, 40-41 and 88-94.

3 At the hearing on September 20, 2011, LVSC acknowledged the District Court's
4 recommendation and notified the District Court and opposing counsel it would proceed
5 accordingly. *See* NRAP 27(e)(1). LVSC also informed the clerk of the Supreme Court of its
6 intention to file a motion to intervene and for partial relief from the stay on September 22, 2011.
7 However, LVSC's counsel was informed by the clerk's office that the Court had issued its Notice
8 in Lieu of Remittitur two days earlier, closing the docket for Case No. 58294, and that LVSC
9 would have to file a writ petition. Counsel advised it would proceed accordingly.

10 Moreover, under NRCP 27(e)(4), relief from the Court's Stay Order is not available from
11 the District Court. As stated above, LVSC previously sought relief from the District Court by
12 filing motions for the return of stolen documents in both the First Case and in the Second Case.
13 However, the District Court expressed its concerns that it could not address LVSC's motions in
14 the First Case because it currently lacks jurisdiction under this Court's Order and the District
15 Court would only provide temporary relief in the Second Case. Within four days of the issuance
16 of the Interim Order, Jacobs appears to have violated the order, and the representations of Jacobs'
17 prior counsel by disclosing a range of stolen documents to be used at the Evidentiary Hearing.
18 Accordingly, LVSC is suffering, and will continue to be subjected to immediate and irreparable
19 harm if it is not allowed to move forward with such motion practice to prohibit the retention and
20 use of documents that are protected from disclosure pursuant to several separate and
21 independently sufficient grounds.

22 **C. LVSC Should Be Allowed to Pursue a Protective Order Barring the Production of**
23 **Company Documents and Requiring Their Return with the District Court.**

24 *I. The Documents taken by Jacobs Contain Attorney-Client Privileged*
25 *Correspondence.*

26 Once a director or officer has left the company "his right to access attorney-client
27 privileged documents terminate[s]." *Montgomery v. eTrepid Technologies, LLC*, 548 F. Supp.
28 2d 1175, 1184 (D. Nev. 2008). A protective order is an appropriate means by which a party may
seek the return of privileged documents in another party's possession. *See, e.g., U.S. v. Koerber*,

1 2011 WL 2174355, at *10 (D. Utah June 2, 2011) (granting protective order compelling
2 government to return potentially privileged documents); *Olem Shoe Corp. v. Washington Shoe*
3 *Corp.*, 2010 WL 3981694, at *4 (S.D. Fla. 2010) (compelling return of privileged documents).

4 Here, Jacobs' prior counsel admitted the documents contain attorney-client
5 correspondence. See PA 5-6. Specifically, "in beginning our review of the e-mails, it appears
6 that Steve [Jacobs] was the recipient of a number of e-mails from various attorneys employed by
7 LVSC and SCL during the normal course and scope of his duties with Defendants." PA 5. LVSC
8 is entitled to the return of the documents on that ground alone. Former counsel also noted,
9 "[w]hile Steve is unable to 'return' the documents to Defendants, ***we agreed not to produce the***
10 ***documents in this litigation*** until the issue is resolved by the Court. Additionally, ***our firm will***
11 ***continue to refrain from reviewing the documents*** so as not to create any issues regarding the
12 documents containing communications with attorneys." See AP 11.

13 Here, the issue has plainly ***not*** been resolved by the District Court. Moreover, LVSC has
14 done nothing to waive its claim to attorney-client privilege. Unlike the circumstances in the cases
15 above which involve accidental disclosure of privileged documents, the documents at issue here
16 did not come into Jacobs' possession from accidental disclosure. Rather, Jacobs purposefully and
17 wrongfully took these attorney-client privileged emails from the company. On August 3, 2011,
18 Jacobs' former counsel acknowledged the serious nature of this issue and agreed to cease all
19 document review until the issues is resolved by the Court. See PA 12. The law is clear. Once
20 Jacobs left his employment, his right to access attorney-client privileged documents terminated
21 and he must return them to the privilege holder – LVSC. However, not only has Jacobs refused to
22 return documents his attorney acknowledged were privileged, he appears to be disclosing the
23 stolen documents, including attorney correspondence, for use in the public Evidentiary Hearing
24 set to determine whether the District Court has personal jurisdiction over SCL. See PA 88-94.
25 Accordingly, the Court should provide a carve-out of its Stay Order to allow LVSC to pursue
26 motion practice with the District Court and obtain the return of the stolen documents.

27 ///

28 ///

2. *The Documents Contain Trade Secrets, Confidential Research and/or Commercial Information.*

Additionally, LVSC is entitled to an order compelling Jacobs to return the documents because they contain trade secrets, confidential research and/or commercial information. The Nevada Rules of Civil Procedure concerning discovery mandate that Jacobs must return company documents to LVSC because they likely contain trade secrets, confidential research and/or commercial information. *See* NRCP 26(c). Courts have broadly interpreted NRCP 26(c) and its federal equivalent to permit a protective order over a wide variety of documents and information. *See, e.g., Star Scientific, Inc. v. Carter*, 204 F.R.D. 410 (S.D. Ind. 2001); (*Dubai Islamic Bank v. Citibank, N.A.*, 211 F. Supp. 2d 447 (S.D. N.Y. 2001); (*Gohler v. Wood*, 162 F.R.D. 691 (D. Utah 1995).

As a consultant to LVSC through Vagus and as CEO of SCL, Jacobs was privy to a host of privileged and sensitive LVSC company information that, if revealed, could and would harm LVSC. *See* AP 49. In addition to attorney-client correspondence, it is likely that the eleven gigabytes of information in Jacobs' possession includes a range of sensitive and protected information and trade secrets, including but not limited to, casino customer lists, documents regarding customer purchasing habits, sensitive financial information and forecasts, pricing information, documents revealing sales techniques, compliance policies and procedures, company manuals and/or personnel and labor records. Continued dissemination of the foregoing documents would cause further irreparable harm as LVSC's proprietary and confidential information could be disclosed to third parties, including competitors.

Because Jacobs has refused to return the documents, or, at a minimum, has refused to agree not to disseminate them, LVSC faces a difficult situation, which necessitates this emergency Petition. The Interim Order in the Second Case will expire on October 4, 2011. Once it does, there will be no judicial constraint on what Jacobs may do with the subject documents and information. Indeed, the recent discovery disclosures by Pisanelli Bice demonstrate that not even the representations of Jacobs' prior counsel or a lower court's interim order can constrain Jacobs from disclosing the subject documents and information. A partial lifting of the Stay is urgent and

1 necessary to allow LVSC to seek the relief necessary to avoid further injury.

2 3. *Jacobs Must Return the Documents Under the Vagus Consulting Agreement.*

3 LVSC is entitled to an order under the terms of the Vagus Consulting Agreement
4 compelling the return of documents and information that Jacobs stole. *See* PA 43-48. Jacobs was
5 the principal of Vagus and wrote and signed the agreement. Under the Agreement, Jacobs and his
6 company were expressly required to “diligently protect and keep confidential all sensitive
7 information received as part of or related to this project.” *See id.* at 47. Indeed, Jacobs proposed,
8 and agreed that his obligation “shall survive the expiration and/or the termination of the
9 agreement.” *Id.* Jacobs obtained documents and information that are confidential, proprietary
10 and/or subject to the attorney-client privilege and/or work product doctrine. *See* PA 49. Once the
11 agreement terminated and he no longer had any right to the documents, Jacobs had an obligation
12 to return them to their rightful owner. Following his termination, Jacobs filed the First Case
13 against LVSC and SCL. *See* PA 50-66. Rather than honor his contractual obligations, Jacobs
14 now refuses to return documents wrongfully in his possession. In fact, contrary to the
15 representations of his prior counsel, and contemporaneous with the drafting of this Petition,
16 Pisanelli Bice emailed supplemental disclosures, identifying sensitive and confidential
17 information, to be used at the Evidentiary Hearing. *See* AP 88-94.

18 There is no denying that the documents and information now improperly in Jacobs’
19 possession do not belong to him. Jacobs’ refusal to return the documents, *or* to agree not to
20 provide the documents to third parties, subjects LVSC to an immediate threat of continued
21 significant and irreparable harm. Moreover, his recent discovery disclosure manifests that harm
22 and demonstrates that he is in breach of his agreement to diligently protect all confidential and
23 sensitive information following the expiration and/or termination of his employment.

24 Courts have regularly upheld contractual provisions requiring that documents be returned
25 to the company. *See, e.g., Cafasso v. Gen’l Dynamics C4 Sys., Inc.*, 637 F.3d 1047 (9th Cir.
26 2011) (enforcing return of documents under confidentiality provision in employment agreement
27 where former employee copied 11 gigabytes of confidential and attorney-client privileged
28 documents prior to termination); *see also JDS Uniphase Corp. v. Jennings*, 473 F. Supp. 2d 697

1 (E.D. Va. 2007). Moreover, “to insure full compensation to the trade secret owner and to deprive
2 the defendant of all unjust gains, a court may properly require a defendant to return to the trade
3 secret owner documents.” RESTATEMENT (THIRD) OF UNFAIR COMPETITION, §44 cmt. e.⁶ Here,
4 Jacobs agreed to protect the information but now refuses to return the documents he wrongfully
5 retained. Moreover, he has recently disclosed documents he obtained from his prior employment
6 for use in a public hearing. *See* 88-94. Accordingly, the Court’s intervention is warranted here
7 because LVSC is without an adequate remedy in the ordinary course of law to compel the return
8 of the stolen documents.

9 4. *The Documents May Include Personal Data in Violation of Macau law.*

10 Although U.S. law provides more than an adequate basis for an order compelling the
11 return of the documents, LVSC faces potential harm in another way as well absent their return.
12 The Macau Personal Data Privacy Act (“Macau Act”) governs “retrieval, consultation, use,
13 disclosure by transmission, dissemination or otherwise making available” personal information. *See*
14 PA 67-87 (a copy and translation of the Macau Act at Art. 4, Sec. 1(3)). “Personal data” is
15 interpreted very broadly to include:

16 -any information of any type . . . relating to an identified or identifiable natural
17 person (“data subject”); an identifiable person is one who can be identified,
18 directly or indirectly, in particular by reference to an indication number or to one
or more factors specific to his physical, physiological, mental, economic, cultural
or social identity.

19 *Id.* at Art. 4, Sec. 1(1). Pursuant to the Macau Act, personal data may be transferred outside of
20 Macau where the legal system in the destination country to which the data are transferred ensures
21 an adequate level of protection. Where the destination country is deemed not to afford an
22 adequate level of protection, personal data may only be transferred with the unambiguous written
23 consent of the data subject or if the transfer meets certain conditions specified in the Macau Act.
24 Only once Jacobs returns the stolen documents to LVSC can it determine the appropriate
25 treatment and handling of such documents.

26 LVSC’s concerns that Jacobs will disclose company documents that contain personal data

27 ⁶ “[E]ven in the absence of an enforceable covenant a former employee remains subject to the
28 general rules prohibiting use or disclosure of another’s trade secrets in breach of a duty of
confidence.” RESTATEMENT (THIRD) OF UNFAIR COMPETITION §42 cmt. b.

1 in violation of Macau law are confirmed by Jacobs' counsel's *inability* to represent that Jacobs
2 will not disseminate the information. *See* PA 11-12. The Macau Act provides for sanctions for
3 removal of protected data from the jurisdiction without compliance with the strict requirements
4 set forth in the Macau Act. LVSC believes it should act diligently to recover these materials
5 stolen by Jacobs and to ensure that these materials will not in any way be reviewed, distributed or
6 used by Jacobs, his agents (including his attorneys) or any other third parties. Accordingly,
7 LVSC requests the Court issue a Writ whereby LVSC is granted partial relief, or a carve out, from
8 the Stay set forth in the Court's Order, and the District Court is permitted to address LVSC's
9 motions for protective order and to compel the return of stolen documents.

10 VI.

11 CONCLUSION

12 For the reasons set forth above, LVSC has shown good cause to establish its right to an
13 order compelling the return of the documents and information in Jacobs' possession. However,
14 without relief from this Court, relief that would allow LVSC to proceed in the District Court,
15 LVSC is left without a plain, speedy and adequate remedy in the ordinary course of law. LVSC,
16 therefore, respectfully requests that an Extraordinary Writ be issued providing for partial relief, or
17 a carve out, from the stay set forth in the Court's *Order Granting Petition For Writ Of*
18 *Mandamus*, to allow the District Court jurisdiction to address LVSC's motions regarding Jacobs'
19 improper retention and use of documents.

20 DATED September 26, 2011.

21 /s/ J. Stephen Peek
22 J. Stephen Peek, Esq.
23 Nevada Bar No. 1759
24 Brian G. Anderson, Esq.
25 Nevada Bar No. 10500
26 HOLLAND & HART LLP
27 9555 Hillwood Drive, 2nd Floor
28 Las Vegas, Nevada 89134
(702) 669-4600
(702) 669-4650 – fax
speek@hollandhart.com
bganderson@hollandhart.com
Attorneys for Las Vegas Sands Corp.

NRAP 27(e) CERTIFICATE

(A) Pursuant to NRAP 27(e)(3)(A), the telephone numbers and office addresses of the attorneys for the parties are as follows:

1. J. Stephen Peek
Brian G. Anderson
Holland & Hart LLP
9555 Hillwood Drive, Second Floor
Las Vegas, Nevada 89134
702-669-4600

Attorneys for Petitioner Las Vegas Sands, Corp.

2. Honorable Elizabeth G. Gonzalez
Eighth Judicial District Court of
Clark County, Nevada
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

Respondents

3. James J. Pisanelli
Todd L. Bice
Debra L. Spinelli
3883 Howard Hughes Parkway, Suite 800
Las Vegas, Nevada 89169
702-214-2100

Attorneys for Real Party in Interest Steven C. Jacobs

(B) Pursuant to NRAP 27(e)(3)(B), the facts showing the existence and nature of emergency are as follows:

1. Jacobs' (now former) counsel recently revealed that Jacobs was in possession of approximately eleven gigabytes of documents, which includes (as admitted by Jacobs' own counsel) documents containing attorney-client communications. *See* PA 5-6.

2. In response, counsel for LVSC demanded that Jacobs immediately return all such documents. *See* PA 7-8.

3. However, to date, Jacobs has failed and refused to return company documents to LVSC. *Id.*

4. On August 1, 2011, the parties met and conferred telephonically regarding return of company documents in Jacobs' possession. During the telephone conference, Jacobs' counsel

1 confirmed that:

2 1. Jacobs and his counsel are in possession of documents
3 which Jacobs acquired during the course of his employment.

4 2. These documents include material that may be subject to the
5 attorney-client privilege.

6 3. Jacobs does not believe that he is bound to keep confidential
7 those documents obtained during the course of his employment
8 because he asserts that he did not sign any confidentiality policy or
9 other document containing a confidentiality provision.

10 4. Jacobs believes that Macau data privacy laws do not prohibit
11 him from disclosing documents in this matter and that Macau data
12 privacy laws are being used by Defendants as a “farcical canard” to
13 avoid disclosure of documents.

14 5. Based upon the foregoing, Jacobs refused to comply with
15 the request for return of documents obtained during the course of
16 his employment and would not commit that he has not or will not
17 provide such documents to third parties.

18 *See id.*; *see also* PA 9-10.

19 11. In subsequent correspondence, Jacobs’ counsel confirmed that Jacobs “is *unable* to
20 ‘return’ the documents to Defendants”. *See* PA 11-12.

21 12. Additionally, while Jacobs’ former attorneys have agreed to cease *their* review
22 and/or production of the documents until the matter is resolved by the Court, they are “unable to
23 represent that Steve has not or will not provide any of the documents to certain third parties.” *Id.*

24 13. Upon learning of Jacobs’ purported retention of new counsel at the law firm
25 Pisanelli Bice, counsel for LVSC proposed a stipulation to Jacobs’ new counsel, Jim Pisanelli,
26 requesting that such documents not be reviewed and not be provided to third parties; however,
27 Mr. Pisanelli was not agreeable to signing the stipulation. *See* PA 7-8

28 14. Based on the representations of Jacobs’ counsel, there is an immediate risk that

1 Jacobs will continue to disclose LVSC company documents that contain information that is
2 confidential, sensitive, and/or subject to the attorney-client privilege to third parties who are not
3 entitled to such documents and information. *See id.*

4 15. These documents are also subject to express confidentiality policies and may be
5 subject to the Macau Personal Data Protection Act. *See* PA 67-87.

6 16. When Jacobs refused to return the documents, LVSC filed motions to compel and
7 for protective order for the return of the stolen documents and to restrain and enjoin Jacobs and
8 his agents from further review, disclosure and dissemination to third-parties. *See* PA 26-39.

9 17. At a scheduling conference on September 16, 2011 for scheduling the Evidentiary
10 Hearing on the jurisdiction of co-defendant SCL, as mandated by the Court, the District Court
11 instructed LVSC's counsel that this Court's Order stayed the entire action; and consequently, that
12 the District Court did not have jurisdiction to hear LVSC's motions regarding Jacobs' improper
13 retention and use of documents. Accordingly, LVSC withdrew its pending motions. *See id.*

14 18. Based on the immediacy of the risk, LVSC initiated the Second Case based on
15 conversion and misappropriation of trade secrets in District Court Case No. A648484-B (*Las*
16 *Vegas Sands Corp. v. Steven Jacobs and Vagus Group, Inc.*) *See* PA 17-25. Additionally, LVSC
17 moved for a temporary restraining order and preliminary injunction for the return of documents
18 and to prevent Jacobs, Vagus Group, or their agents from dissemination of stolen documents to
19 third-parties. *See* PA 26-39.

20 19. On September 20, 2011, the District Court issued an Interim Order prohibiting the
21 defendants from disclosing or disseminating any documents or information contained therein
22 obtained in connection with their consultancy with LVSC, including the approximate eleven
23 gigabytes of documents in defendants' possession to any third party. *See* PA 40-41.

24 20. The Interim Order is valid for two weeks and the District Court suggested LVSC
25 seek partial relief, or a carve out of the stay, with this Court in the First Case. *Id.*

26 21. On September 20, 2011, the Court issued its Notice in Lieu of Remittitur, closing
27 the docket for Case No. 58294. *See* PA 42. Accordingly, LVSC is unable to intervene or move to
28 lift the stay in the SCL Writ Petition docket, and is otherwise without a plain, speedy and

adequate remedy in the ordinary course of law.

22. The Interim Order will expire on October 4, 2011, and unless the Court issues a Writ providing a carve out or partial lift of the stay to allow the District Court to address LVSC's motions for protective order and to compel the return of documents, LVSC will again be exposed to the risk that Jacobs will, among other things, (1) improperly disclose or disseminate confidential or proprietary documents to third parties, (2) improperly review privileged or confidential documents, or (3) improperly disclose, disseminate or review documents associated with the Macau Personal Data Protection Act.

23. Notwithstanding the foregoing, late Friday, September 23, 2011, Jacobs' counsel emailed a supplemental disclosure of documents, identifying a range of documents Jacobs obtained from his prior employment. The documents identify, among other things, emails between LVSC's counsel and other potentially sensitive information. Accordingly, it appears Jacobs' new counsel has continued to review the very documents Jacobs' former counsel had agreed not to, in violation of the Interim Order. *See* AP 88-94.

24. Therefore, due to Stay in the First Case and the limited duration of the relief granted in the Second Case, LVSC, by and through its counsel, certifies that to avoid irreparable harm, relief is needed in less than 14 days pursuant to NRAP 27(e).

(C) Pursuant to NRAP 27(e)(3)(C), the other parties were notified and have been served with this Motion as follows:

Service to the other parties has been effectuated as set forth in the accompanying certificate of service. In addition to formal service, a courtesy copy of this Motion has been sent via email.

DATED September 26, 2011.

/s/ J. Stephen Peek

J. Stephen Peek, Esq.

Brian G. Anderson, Esq.

Holland & Hart LLP

3800 Howard Hughes Parkway, 10th Floor
Las Vegas, Nevada 89169

Attorneys for Las Vegas Sands Corp.

VERIFIED CERTIFICATE OF COMPLIANCE

STATE OF NEVADA)
)
COUNTY OF CLARK) ss.

I, Brian G. Anderson, being duly sworn, do hereby depose and say:

1. I am an attorney with the law firm of Holland & Hart LLP, counsel of record for Petitioner, Las Vegas Sands Corp ("LVSC") named in the foregoing Las Vegas Sand Corp's Emergency Original Petition for Writ of Mandamus ("Writ Petition").

2. I am licensed in the State of Nevada and competent to testify to the matters set forth in this Affidavit.

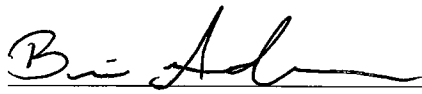
3. Pursuant to NRAP 21(a)(5) and NRAP 28.2, I hereby certify that I have read LVSC's Writ Petition, and to the best of my knowledge, information, and belief verify that the facts stated therein are true, and to those matters that are on information and belief, such matters I believe to be true.

4. I further certify that this Writ Petition is not frivolous or interposed for any improper purpose and complies with the applicable Nevada Rules of Appellate Procedure, in particular NRAP 28(e), which requires every assertion in the brief regarding matters in the record to be supported by reference to the page of the appendix where the matter relied on is to be found.


5. I understand that I may be subject to sanctions in the event that the accompanying brief is not in conformity with the requirements of the Nevada Rules of Appellate Procedure.

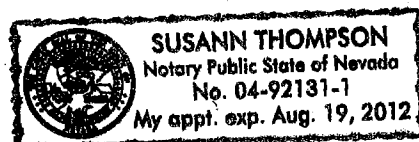
6. I make this verification on behalf of Petitioner LVSC.

EXECUTED this 26 day of September, 2011.


Brian G. Anderson, Esq.

SUBSCRIBED AND SWORN to before me
this 26th day of September, 2011.


Notary Public



CERTIFICATE OF SERVICE

Pursuant to NRAP 25, I hereby certify that I am an employee of Holland & Hart; that I am familiar with the firm's practice of collection and processing documents for mailing; that, in accordance therewith, I caused the following document, **LAS VEGAS SANDS, CORP'S EMERGENCY ORIGINAL PETITION FOR WRIT OF MANDAMUS**, to be hand delivered as indicated below on the 26th day of September, 2011:

James J. Pisanelli, Esq.
Pisanelli & Bice
3883 Howard Hughes Parkway, Suite 800
Las Vegas, Nevada 89169

*Attorney for Real Party in Interest
Steven C. Jacobs*

Honorable Elizabeth G. Gonzalez
Eighth Judicial District Court of
Clark County, Nevada
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

Respondents

Donald J. Campbell, Esq.
J. Colby Williams, Esq.
Campbell & Williams
700 S. 7th Street
Las Vegas, Nevada 89101

Attorneys for Steven Jacobs


An Employee of Holland & Hart LLP