IN THE SUPREME COURT OF THE STATE OF NEVADA

Electronically Filed Jun 23 2015 09:34 a.m. Tracie K. Lindeman Clerk of Supreme Court

SANDS CHINA LTD., a Cayman Islands corporation,

Petitioner,

VS.

CLARK COUNTY DISTRICT COURT, THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE, DEPT. 11,

Respondents,

and

STEVEN C. JACOBS,

Real Party in Interest.

Case Number:

District Court Case Number: A627691-B

APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR MANDAMUS (APP0001-0080)

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CERTIFICATE OF SERVICE

Pursuant to Nev. R. App. P. 25, I certify that I am an employee of MORRIS LAW GROUP; that, in accordance therewith, I caused a copy of the **APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR MANDAMUS (APP0001-0080)** to be hand delivered, in a sealed envelope, on the date and to the addressee(s) shown below:

VIA HAND DELIVERY

Judge Elizabeth Gonzalez Eighth Judicial District Court of Clark County, Nevada Regional Justice Center 200 Lewis Avenue Las Vegas, NV 89155

Respondent

VIA ELECTRONIC AND U.S. MAIL

James J. Pisanelli Todd L. Bice Debra Spinelli Pisanelli Bice 400 South 7th Street Las Vegas, NV 89101

Attorneys for Steven C. Jacobs, Real Party in Interest

DATED this 22nd day of June, 2015.

By: <u>/s/ PATRICIA FERRUGIA</u>

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CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

STEVEN JACOBS

Plaintiff . CASE NO. A-627691

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VS.

DEPT. NO. XI

LAS VEGAS SANDS CORP., et al..

Defendants . Transcript of Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

HEARING ON PLAINTIFF'S MOTION TO MODIFY/CORRECT DECISION AND ORDER

THURSDAY, MAY 28, 2015

APPEARANCES:

FOR THE PLAINTIFF: TODD BICE, ESQ.

JORDAN T. SMITH, ESQ.

FOR THE DEFENDANTS: J. STEPHEN PEEK, ESQ.

JON RANDALL JONES, ESQ. STEVE L. MORRIS, ESQ.

COURT RECORDER: TRANSCRIPTION BY:

JILL HAWKINS FLORENCE HOYT

District Court Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

LAS VEGAS, NEVADA, THURSDAY, MAY 28, 2015, 8:46 A.M. 1 2 (Court was called to order) 3 THE COURT: That takes me to Jacobs versus Sands. 4 I have Mr. Peek on the phone, I believe. 5 Do we need to wait for anybody else, or have we got 6 enough people? 7 MR. RANDALL JONES: We're all here. 8 THE COURT: First I want to apologize to counsel. There was what IT described "operator error" related to the 9 10 version that was being proofread. And when I retrieved -- or 11 was able to retrieve the prior version, I apparently missed 12 two locations -- actually, I missed more than two locations, 13 but the two locations you pointed out were missed as So my apologies to you for the necessity of this 14 corrections. 15 motion. Both of those were supposed to be changed. They were 16 changed in the edited version, and they will be changed in what you get the end of today, as well as two additional types 17 of changes which are stylistic kind of things. 18 19 Dulce has questions for you, though. Pardon me? 20 MR. BICE: THE COURT: Dulce has questions for you. 21 She has a 22 list. 23 Can I return to the plaintiff the --THE CLERK: 24 remember we switched out exhibits? Can I return the original? 25 The certified copies you kept giving us THE COURT:

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we're keeping.
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 2
             MR. BICE: Oh. Yes. Whatever you want to get rid
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   of we will take back and dispose of for you.
              THE COURT: Remember when you substituted --
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              MR. BICE: Yes.
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              THE COURT: -- exhibits but we didn't give them new
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    numbers? We are holding the original, which was the
    uncertified version. Do you want it back?
              MR. BICE:
                         Jordan will take those.
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             MR. SMITH: I'll take it back, Your Honor.
11
    you.
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              THE COURT: We don't have them ready for you yet.
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              MR. BICE:
                         Okay.
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              THE COURT: Yes.
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              MR. RANDALL JONES: Yes, Your Honor. I guess for
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   the record we thought that the decision should stand as it is,
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    but --
              THE COURT: But I have question marks in one.
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    clearly that I hadn't finished.
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             MR. RANDALL JONES: Well, I guess my question, then,
   would be is the date of the decision formally today, when it
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    comes --
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              THE COURT:
                          The date of decision will be formally
   today because of the amended findings that are issued today.
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             MR. RANDALL JONES: All right. And, Your Honor, the
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only other issue that I wanted to at least speak to is there are -- we got your order on the trial setting.

THE COURT: Yes. I was going to reset your motion to dismiss, too, while we're here today as my last agenda item.

MR. RANDALL JONES: Okay. And I did want to ask about that because that -- we did want to have a hearing on that.

THE COURT: Well, I do, too. But I didn't want to pick a day without talking to you guys.

MR. RANDALL JONES: No, that's fine. I appreciate that. I just wanted to -- since we were here, I thought I'd bring that up.

THE COURT: Okay. Wait. But the trial setting order, were there any issues with it?

MR. RANDALL JONES: Well, the issue, Your Honor, is that we have obviously that motion to hear.

THE COURT: Right.

MR. RANDALL JONES: I talked to Mr. Bice about this I think it was maybe yesterday or maybe the day before, I can't recall, but about the fact that he had he thought a motion -- he was going to bring a motion to amend, a fourth motion to amend the complaint. He indicated he was at least thinking about that. And so we would want to have some -- well, we may take issue with that. That has to do with the

minimum I believe that he proposed during the hearing, which the Court said, you need to brief that if you want to do that. So if they do that, then we're going to have -- probably have motion practice with respect to that. So --

THE COURT: Absolutely.

MR. RANDALL JONES: So the pleadings will not be closed and are not closed at least as to my client as we stand here today. I understand about --

THE COURT: I've got to set a trial at least with respect to Las Vegas Sands and Mr. Adelson.

MR. RANDALL JONES: I understand that, Your Honor.

My only point is that I just want to make sure it's clear to
the Court, but, more importantly, I want to make sure it's
clear to Mr. Bice that we certainly intend to respond to any
additional motions to amend the complaint, and therefore,
based on your current schedule, we've got -- right now I think
we've got about two and a half months before motions in limine
are set to be heard -- I'm sorry, filed, which means we've got
to start --

MR. MORRIS: Late discovery.

MR. RANDALL JONES: -- doing all the discovery well before that date, presumably.

THE COURT: One would -- and this was part of what I've noted throughout the history of this case. Given the nature of the orders from the Nevada Supreme Court,

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substantive discovery had not started until the issuance of my
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    decision, which will technically be today with the amendment
    that's being made, since it included a substantial change
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   related to my operator error and losing the current version of
    the findings of fact and conclusions of law. We've all
 6
   recognized you're going to have very little time and a very
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   compressed schedule, and Mr. Peek has -- you know, is going to
   be put in a difficult position of probably running multiple
    tracks of discovery. And I understand that, and it's the
   nature of the beast when I have a case that's up against a
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11
   five year rule. And the only way you're going to get it done
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    is to buckle on and get it done.
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             MR. RANDALL JONES: Well, that begs the question --
                        Your Honor, for the record, if I could.
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             MR. PEEK:
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    I was joined late. I don't know --
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              THE COURT:
                          Good morning, Mr. Peek. How are you
17
    today?
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             MR. PEEK:
                         Pardon?
19
              THE COURT: How are you today?
                         I'm fine, Your Honor. But I was on hold
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             MR. PEEK:
   for the longest time, and I joined I think after the hearing
21
    on the motion to amend.
23
              THE COURT: Nobody said anything but me on the
24
   motion to amend, and I said something called "operator error."
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                           Proofread version different than
    IT couldn't retrieve.
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version that we had, and there were two mistakes that Mr. Bice pointed out, as well as some other stylistic and spelling mistakes, as well as some citation issues that have been fixed and will be issued to you in an amended order today.

MR. PEEK: Okay. And if I could ask others to speak up a little bit, because I can't hear them.

THE COURT: Mr. Jones, you're going to have to speak up so Mr. Peek can hear you.

Mr. Jones has asked me to reschedule the motion to dismiss, and he and I are currently negotiating that.

MR. PEEK: Okay. And then I also heard something about the trial is only going to proceed against Las Vegas Sands and Mr. Adelson.

THE COURT: No, you did not hear that.

MR. PEEK: Okay, Your Honor. Thank you for making that clarification.

THE COURT: All right. Mr. Jones, we were negotiating stuff related to discovery, motion practice, and your motion to dismiss.

MR. RANDALL JONES: Yes. And just -- so I obviously understand you need to set a date. That's great. I'm here to do that, as well.

With respect to discovery, merits discovery, as opposed to my general experience in Federal Court, where motions to dismiss don't have any impact on discovery, in

State Court my experience has been somewhat --1 2 THE COURT: Not in this department. 3 MR. RANDALL JONES: So that's what my question is. So that merits discovery will proceed with respect to Sands 4 5 China even though my client has yet to answer the complaint? 6 I just want to get clarification on that. 7 THE COURT: Discovery has been proceeding against Sands China, and the Nevada Supreme Court's order only stayed discovery against Sands China until I issued my decision. 10 MR. RANDALL JONES: I just -- again, I appreciate the clarification. So that answers that question. So at this 11 point I'm happy to --12 THE COURT: When do you want to do your motion to 13 It's fully briefed. 14 dismiss? MR. PEEK: Your Honor, could I ask -- I'm sorry to 15 interrupt, but I understood you to say that the discovery was 16 only stayed as to Sands China. Are you suggesting by that 17 18 remark that --THE COURT: No, Mr. Peek, that's not what I meant. 19 20 MR. PEEK: Okav. The discovery was stayed against all THE COURT: 21 parties for anything other than jurisdictional discovery. stay as to Sands China, even though they may not have 23 answered, is now expired, because I've issued my findings 24 25 under the writ.

MR. PEEK: Okay. 1 THE COURT: You guys are going to do what you're 2 3 going to do. Hopefully you'll do discovery quickly on 4 multiple tracks and coordinate with each other, because it's 5 going to be difficult. 6 Mr. Bice is making faces, and I'm going to have to 7 ask him about multiple tracks in a minute. 8 MR. BICE: No. I was just making a face at an email 9 I have here, Your Honor. 10 THE COURT: Okay. 11 MR. RANDALL JONES: Tuesday of next week I would be 12 -- would be fine with me, if that works for the Court. Is that okay, Mr. Bice? 13 THE COURT: Tuesday. Can we do it early Tuesday? 14 MR. BICE: THE COURT: Would you like to come at 8:00? 15 I would be happy to come at 8:00 16 MR. BICE: THE COURT: Mr. Peek doesn't like 8:00 o'clock, but 17 it's Sands China's motion. 18 19 Yeah. What was the date, Your Honor? I MR. PEEK: didn't hear the date from Mr. Bice. 20 21 THE COURT: The date would be June 2. 22 MR. PEEK: June what? 23 THE COURT: June 2. June 2nd. 24 MR. PEEK: I will be out of town. And was that date 25 set for the motion to dismiss?

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THE COURT: Yes.
                                Sands China's motion to dismiss.
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 2
              MR. PEEK:
                         I will be in depositions in New York on
 3
    your DISH matter, Your Honor, on June 2nd.
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              THE COURT: All right.
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              MR. RANDALL JONES: Well, maybe we should ask when
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    Mr. Peek will be back, because that may --
 7
                         I'm there on the 4th because Mr.
              MR. PEEK:
    Pisanelli and I have a number of motions in the Okada-Wynn
 9
    matter.
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              THE COURT: So do you want to come on Thursday, the
11
    4th?
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                         That would be preferable to me, Your
              MR. PEEK:
    Honor, if that works for other parties.
13
                          I'm looking at Mr. Bice to make sure
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              THE COURT:
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    he's okay with it and Mr. Jones is okay with it. Mr. Jones is
16
    nodding yes.
                         I can't be here, but I'll get somebody
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              MR. BICE:
    else to handle it.
18
                          Will Mr. Pisanelli be here, since he's
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              THE COURT:
    here on Wynn-Okada?
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21
              MR. BICE:
                         Yeah.
22
                          Okay.
                                 So we will do it. And you want
              THE COURT:
    me to start it a little earlier than Wynn-Okada, or do you
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24
    want to go after?
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                         Wynn-Okada is four hearings, Your Honor.
              MR. PEEK:
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We have three motions plus a status check. So I would prefer
    that we go before. So I'm okay with 8:00 o'clock.
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              THE COURT: Can we ask Mr. Pisanelli or Ms. Spinelli
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    8:00?
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             Will that work for you, Mr. Morris?
             MR. BICE: I'm sure we can make that work, Your
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 7
    Honor.
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             MR. MORRIS: Your Honor, I'd like to ask you to --
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    if you're finished with that, I'd like to ask you --
                         Is 8:00 o'clock okay next Thursday, the
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              THE COURT:
    4th, for you for the motion to dismiss?
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             MR. MORRIS: My motion to dismiss?
                             Mr. Jones's motion to dismiss.
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              THE COURT:
                          No.
             MR. MORRIS: Oh. I'll stipulate to you granting
14
15
    that.
                          How about you come for the hearing?
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              THE COURT:
             MR. MORRIS: Oh. I'll come for the hearing. I'll
17
   be here that day at 8:30 for another matter in front of you
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19
    that you set on an order shortening time.
                          Okay. Oh. Yes, you will. And I hope
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              THE COURT:
   to have your competing orders done after court this morning.
21
    So 8:00 o'clock we'll see you guys. As soon as everybody's
   here and ready, we'll start.
23
              MR. MORRIS: 8:00 o'clock?
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25
              THE COURT:
                         8:00 o'clock.
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So you wanted to say something else, Mr. Morris?

MR. MORRIS: Yes, Your Honor. I'd like you to

reconsider or at least rethink the trial date you have

scheduled. I represent a defendant who has been brought into

this case only three months ago, and we are faced with -
confronting discovery and the completion of it, a good deal of

which is going to I believe take place in China and require

that.

THE COURT: Wasn't Mr. Adelson brought into the case originally and I granted the motion to dismiss, and then I got reversed by the Nevada Supreme Court for granting a motion to dismiss?

MR. MORRIS: That's right.

THE COURT: Okay.

MR. MORRIS: So he was out of the case, and I didn't participate in those proceedings, and neither did he after that date until -- and we came back or re-entered, I guess, when the Supreme Court entered its order of reversal.

THE COURT: Last fall.

MR. MORRIS: Yes. And we then -- and we filed an answer, and we're going ahead.

THE COURT: Okay.

MR. MORRIS: We're -- you know, we're confronted with -- and we've been out of this case for about two and a half years. There's been three and a half years of what I

would call -- and I don't do this -- I don't say this disparagingly -- ex parte discovery. It's only been in favor of one party, the plaintiff. And we have, for example, we've got two and a half months -- my client and I have two and a half months, and we are now as a consequence of your order tied into a whole series of claims that we were not tied into previously. And I think it's unreasonable, and I believe it's unfair to -- given the fact that the Supreme Court's order stayed litigation on the merits for three and a half years, to say now that the stay has been lifted and the case decided that you have to get this case ready, Morris and Adelson, in three months.

THE COURT: My problem is the Nevada Supreme Court's interpretation of what is a stay under Rule 41 is inconsistent, unclear. So, unless there is a stipulation among the parties which has not been given in this case and I've been told won't be given in this case, I have set the trial for the earliest possible date on which Rule 41(e) will expire. I'm not saying you can't take it up with the Nevada Supreme Court, but I've got to comply with Rule 41.

MR. MORRIS: Well, we --

THE COURT: I understand. I'm not criticizing you for taking -- it doesn't bother me when you ask them stuff. It bothers me when they aren't consistent, but that's an entirely different issue.

MR. MORRIS: That is an entirely different issue, and it's one that you addressed in part in the order that we're now considering amending.

THE COURT: And I tried to protect everyone's interests to the extent I could in the order that I issued.

MR. RANDALL JONES: Well, Your Honor --

THE COURT: Mr. Jones.

MR. RANDALL JONES: -- just in that regard let me just make one point. I would hope we'd not get in a situation where three months from now all of a sudden the plaintiff decides to stipulate to say, yeah, we can't get it done so we've done what we want to do and now we're willing to kick this thing for some period of time because we can't get everything done we want to be able to go to trial. That would be completely inappropriate. So if there's going to be a decision made by the plaintiffs, we would simply ask it be made now, as opposed to at the eleventh hour, which would be completely inappropriate.

THE COURT: I asked for briefing on this particular issue over a year ago. I was told that there was no need for briefing on the issue because the plaintiffs weren't going to stipulate. And that's okay.

MR. RANDALL JONES: I understand. And that's -- if they won't stipulate, they won't stipulate. But I certainly hate to see a situation where they change their mind at the

eleventh hour and put all of us through some unnecessary hoops and gyrations. And that would be my only concern if we're going to -- well, that's not my only concern, but that would be a concern that I would have, that we end up in that situation.

THE COURT: I certainly understand that, Mr. Jones, and I share your frustration. My frustration, however, is directed to a different location than yours.

Mr. Bice.

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Just remember the facts here have been MR. BICE: reversed. It was the defendants that would not stipulate long ago when we referenced this. And now, only now do they want to be the ones changing position. It is a little rich from my standpoint to listen to these defendants complain about timing when they have sabotaged, and that is my word, sabotaged the fair prosecution of this case for nearly five years now, including with phony claims of privilege, phony claims if inaccessibility to evidence, and phony claims, quite frankly, of no jurisdiction. So when I listen to this story about their plight over here, this is a self-inflicted plight if it's one at all. It is purely the product of their own decision making. And so I can't predict exactly what's going to happen in the next few months; but if this case continues like it has and the antics continue about noncompliance with discovery, I don't know where we'll be come October.

we're certainly going to work hard to be ready to go.

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THE COURT: Well, just so you guys know, after CityCenter settled I scheduled my first real vacation as a judge, and that vacation is occurring -- I will be out of the jurisdiction September 21st to October 12th, which is why your trial is set to start shortly after October 12th, because we're going to do motions in limine. So I understand what you're saying. I'm willing to be ready and ready to go and hear the motions, and I've set aside two days once I get back to hear any motions we didn't do before I went on vacation. I've got you scheduled to do your jury guestionnaire so that can be done while I'm on vacation. The jurors can fill out the questionnaires, you can review them, we can then do an analysis as soon as I return as to what jurors need to be excused because there has been media coverage related to this and there are a number of people who probably are familiar with Mr. Adelson and the Las Vegas Sands and the Venetian, because it's a pretty big property on the Strip, employs a lot of people, and some people like to go there and visit.

MR. RANDALL JONES: Your Honor, rather than belabor the point and respond point by point to Mr. Bice, I would just like, so the record is clear, that I disagree with his comments about who's delayed what. I think when you have writs that have been -- I think out of four writs three were granted and one was essentially sent back to this Court for

resolution, that I think our positions were meritorious. So I 1 think we were simply protecting our clients' rights 3 appropriately, and I certainly disagree, as I'm sure the Court 4 would understand, that -- with respect to the jurisdiction 5 arguments I respectfully disagree with the findings of the 6 Court with respect to jurisdiction. So --7 THE COURT: Remember, I have to hear your motion to stay before you ask the Supreme Court. 9 MR. RANDALL JONES: Suffice it to say that I 10 disagree in total with what Mr. Bice's comments were. 11 All right. Anything else, Mr. Morris? THE COURT: 12 MR. MORRIS: Can I ask this question? 13 THE COURT: Sure. MR. MORRIS: Let's assume for one reason or another 14 15 that the October trial date doesn't hold. When would be your next availability to try this case? 16 I have plenty of availability as long as 17 THE COURT: I'm not in the Wynn-Okada trial, which has been set for, what, 18 three months or two months, whatever it is now at this point, 19 20 and this other case that Mr. Peek's involved in that maybe 21 he'll get settled, which we gave a firm setting to. You know, other than that, I can work around a lot of things. So I'm plenty available, Mr. Morris. I've got plenty of time. 23 paid by the year, I'm here, I work, I'm in trial all the time. 24 I'm not saying you don't work hard. 25 MR. MORRIS:

THE COURT: But, I mean, I've got lots of --1 2 MR. MORRIS: And I'm not saying that we're not going 3 to work hard under the circumstances we're here. What I'm 4 saying is I need to know availability of you post October. 5 THE COURT: My availability will not be an issue, 6 although I have promised my father I take him to Africa for his eightieth birthday sometime around May 2016, but he hasn't 7 picked the date yet. So other than that, I'm pretty available. I think I have one murder case that's scheduled 10 that's a firm setting that would go right after this case is 11 scheduled to be tried in October. Other than that, I'm here. 12 MR. RANDALL JONES: How long have you scheduled this trial to go, Your Honor? That's -- since you brought that 13 subject up, I'm curious to hear what --14 THE COURT: I think it's going to take six to eight 15 16 weeks, given my experience with some of the people in this 17 That's my best guess. case. 18 MR. RANDALL JONES: Okay. Thank you, Your Honor. 19 MR. MORRIS: Thank you, Your Honor. That doesn't mean that's accurate. THE COURT: 20 MR. RANDALL JONES: No, I understand. 21 22 But that's my best quess. THE COURT: 23 MR. RANDALL JONES: I appreciate it. I have not 24 contemplated the length of this trial yet myself, and so I was 25 curious to see what you were thinking.

MR. MORRIS: We can probably shorten it a couple of 1 2 weeks if Mr. Peek doesn't make an opening statement. 3 THE COURT: Mr. Bice. 4 I didn't hear -- I missed that comment. 5 It's okay, Mr. Peek. You don't need to THE COURT: 6 Everybody else in the courtroom thought it was funny, 7 though. 8 Mr. Bice --9 MR. BICE: Yes. THE COURT: -- if you're going to file a motion to 10 11 amend --12 MR. BICE: Yes. THE COURT: -- you need to do it really, really 13 soon, because my anticipation is there may be issues that go 14 15 up to Carson City related to it. I understand. I would anticipate that it 16 MR. BICE: will be in front of you yet this week. And I assume that we 17 can -- we will submit it on an OST so that we can move this 18 19 along. I will. And then if people have issues 20 THE COURT: with the date we pick, we'll talk about the day we picked. 21 22 MR. BICE: Very good. 23 MR. RANDALL JONES: Just so it's clear, Your Honor, 24 since it's a motion -- the fourth amended complaint motion, which is what I'm anticipating, I would object to having --25

trying to respond to it on shortened time. We would like to have a fair opportunity to brief it and get prepared for it.

THE COURT: Well, let's see what it is first before

MR. RANDALL JONES: Understood. But since that comment was made, I understand why the comment was made. But I want to make sure you understood our position on that.

THE COURT: I understand you'd like to be able to fully brief it.

10 MR. RANDALL JONES: Thank you.

THE COURT: Anything else?

MR. PEEK: Your Honor, I would like to at least express my objections, as well, to the trial setting. I've not been able to conduct any discovery at all during this period of time. I'm now forced with a three-month discovery period on a case that is very significant to the Las Vegas Sands. I think it's unreasonable and injudicious for the Court to set this hearing on -- excuse me, this trial on such a shortened time without giving me proper opportunity to conduct the discovery that I think is necessary for preparation for trial. I have a three-week vacation that I've scheduled for a long time now beginning June 20th and ending on July 8th. So that takes at least three weeks out of the mix, because I'm going to be one that's going to be involved in the discovery more so than others in my office would be

1 involved. 2 THE COURT: I certainly understand that, Mr. Peek. So I just want the record to reflect my 3 MR. PEEK: 4 objections, and certainly I join in Mr. Jones's comments about 5 Mr. Bice talking about it all being our fault and being a 6 product of our own actions when we're trying to protect legal 7 rights associated with all the parties to this case. 8 THE COURT: Well, remember, my concern is not with your ability to protect your rights. My concern is with the 9 10 speed at which decisions on petitions for extraordinary relief 11 are made. That's my concern. That's a different issue. 12 That's not an issue any of you have control over. And that is 13 where I believe my primary frustration is. Because, while we have had a lot of discovery bumps in this case, the orders 14 from the Nevada Supreme Court have in large part created the 15 16 issues we are facing here. Anything else? Have a lovely day. 17 MR. MORRIS: Thank you, Your Honor. 18 19 Thank you, Your Honor. MR. PEEK: 20 THE PROCEEDINGS CONCLUDED AT 9:09 A.M. 21 22 23 24 25

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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 M. HOYT, TRANSCRIBER

5 6 7 8 9 10 11 12 13 14 LAS VEGAS SANDS CORP., a Nevada corporation; SANDS CHINA LTD., a 15 Cayman Islands corporation; DOES I through X; and ROE CORPORATIONS

I through X,

NOTC

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Todd L. Bice, Esq., Bar No. 4534 TLB@pisanellibice.com Debra L. Spinelli, Esq., Bar No. 9695 DLS@pisanellibice.com Jordan T. Smith, Esq., Bar No. 12097 JTS@pisanellibice.com PISANELLI BICE PLLC 400 South 7th Street, Suite 300 Las Vegas, Nevada 89101 Telephone: (702) 214-2100 Facsimile: (702) 214-2101 Attorneys for Plaintiff Steven C. Jacobs CLARK COUNTY, NEVADA STEVEN C. JACOBS, Plaintiff,

James J. Pisanelli, Esq., Bar No. 4027

JJP@pisanellibice.com

Case No.: A-10-627691

Dept. No.:

NOTICE OF VIDEOTAPED DEPOSITION OF DAVID TURNBULL

Date:

DISTRICT COURT

June 17, 2015

Time:

9:00 a.m.

AND RELATED CLAIMS

Defendants.

PISANELLI BICE PLLC, located at 400 South 7th Street, Suite 300, Las Vegas, Nevada 89101,

PLEASE TAKE NOTICE that at 9:00 a.m. on June 17, 2015, at the law office of

Plaintiff Steven C. Jacobs ("Jacobs"), by and through his undersigned counsel of record, will take

the videotaped deposition of David Turnbull upon oral examination, pursuant to Rules 26 and

30 of the Nevada Rules of Civil Procedure, before a Notary Public or before some other officer

26 authorized by law to administer oaths.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 1st day of June, 2015, I caused to be sent via electronic mail and United States Mail, postage prepaid, a true and correct copy of the above and foregoing **NOTICE OF VIDEOTAPED**

DEPOSITION OF DAVID TURNBULL properly addressed to the following:

J. Stephen Peek, Esq.
Robert J. Cassity, Esq.
HOLLAND & HART
9555 Hillwood Drive, Second Floor
Las Vegas, NV 89134
speek@hollandhart.com
rcassity@hollandhart.com

Michael E. Lackey, Jr., Esq. MAYER BROWN LLP 1999 K Street, N.W. Washington, DC 20006 mlackey@mayerbrown.com

J. Randall Jones, Esq.
Mark M. Jones, Esq.
KEMP, JONES & COULTHARD
3800 Howard Hughes Parkway, 17th Floor
Las Vegas, NV 89169
iri@kempjones.com
mmi@kempjones.com

Steve Morris, Esq.
Rosa Solis-Rainey, Esq.
MORRIS LAW GROUP
900 Bank of America Plaza
300 South Fourth Street
Las Vegas, NV 89101
sm@morrislawgroup.com
rsr@morrislawgroup.com

/s/ Kimberly Peets
An employee of PISANELLI BICE PLLC

DECLARATION OF DAVID TURNBULL

- 1. I am a British citizen permanently residing in Hong Kong, China. I have lived and worked in Hong Kong for more than 25 years.
- 2. I am Chairman of Seabury Asia, an advisory and investment banking company. I am also Executive Chairman of Pacific Basin Shipping, a shipping company. Prior to joining these companies in 2008, I was with the Swire Group for almost 30 years where I was last chairman of Cathay Pacific Airways Ltd. All of these companies are headquartered in Hong Kong.
- 3. In November 2009 I became an independent Non-Executive Director ("INED") of Sands China Ltd ("Sands China")., a publicly traded company in Hong Kong, in accordance with the rules of the Hong Kong Stock Exchange, which require listed companies to have independent board members. I hold this position today.
- 4. Since July 2005 through today I have been in the United States on only two occasions. I was last in the United States more than five years ago, in New York City, on business. I have not been to the United States since becoming an INED for Sands China and I have never been in the United States on behalf of or at the invitation of Sands China Ltd. or Las Vegas Sands Corp. I have never been in Nevada.
- 5. My work as an INED for Sands China has been primarily performed in Hong Kong and Macau.
- 6. I have never been involved in litigation in the United States. I have no plans to visit or other reason to be in the United States in the foreseeable future.



- 7. My home is in Hong Kong, which is more than 7000 air miles and two days travel from Las Vegas. It would be a profoundly disruptive and unreasonable hardship for me to travel to Las Vegas for a deposition.
- 8. I have not had contacts or a relationship with any person or entity in Nevada or elsewhere in the United States that would, in my opinion, justify the extraordinary request that I travel to Las Vegas for deposition there on June 17, 2015, or any date thereafter, in the lawsuit known as *Steven Jacobs v. Las Vegas Sands Corp.* and others, pending in the Clark County District Court.
- 9. I declare under penalty of perjury under the law of the State of Nevada that the foregoing is true and correct.

Executed on June **2** 2015.

David Turnbull

1		Electronically Filed 06/12/2015 02:11:37 F			
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3		Alun to Column			
4	To a structure of the s	CLERK OF THE COURT			
5	Case No	o. 10 A 627691			
6	Plaintiff(s),) Dept. N vs	o. XI			
7	7 ´				
8	LAS VEGAS SANDS CORP, ET AL,				
9	Defendants.				
10					
11	BUSINESS COURT SCHEDULING				
12	AND AMENDED ORDER SETTING CIVIL JURY TRIAL, PRE-TRIAL AND CALENDAR CALL				
13	This BUSINESS COURT SCHEDULING ORDER AND AMENDED TRIAL SETTING				
14	ORDER is entered following the Hearing conducted on June 12, 2015. Pursuant to NRCP 16.1(f) this				
15					
16	6				
17	Filing of the Joint Case Conference Report has previously been waived.	This Order may be amended or			
18	modified by the Court upon good cause shown.				
19	IT IS HEREBY ORDERED that the parties will comply with the	e following deadlines:			
20	1	06/22/15			
21	1 Expert Disclosures are Due ²	07/17/15			
22	-				
23	Rebuttal Expert Disclosures are Due	08/14/15			
24	Percipient Discovery Cut-Off	08/07/15			
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/つ、26	6 				
	Certain parties did not make Rule 16.1 disclosures following the original Rule 16 conference and prior entry of the stay. This deadline applies to those parties.				
	This deadline applies to any issue on which an expert will be presented very bears the burden of proof.	where the party offering the expert			
	Page 1 of 8				

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Counsel should include in the Memorandum an identification of orders, on all motions in limine or motions for partial summary judgment previously made, a summary of any anticipated legal issues remaining, a brief summary of the opinions to be offered by any witness to be called to offer opinion testimony as well as any objections to the opinion testimony.

E. All pretrial motions, however styled, will be filed in compliance with EDCR 2.20⁹ and 2.27¹⁰ unless those requirements are specifically modified in this Order. All dispositive

That rule provides in pertinent part:

Rule 2.67. Meetings of counsel before calendar call or final pretrial conference; pretrial memorandum.

(a) Prior to any calendar call or final pretrial conference, the designated trial attorneys for all the parties must meet together to exchange their exhibits and lists of witnesses, and arrive at stipulations and agreements, all for the purpose of simplifying the issues to be tried. The plaintiff must designate the time and place of the meeting which must be within Clark County, unless the parties agree otherwise. At this conference between counsel, all exhibits must be exchanged and examined and counsel must also exchange a list of the names and addresses of all witnesses, including experts, to be called at the trial. The attorneys must then prepare a joint pretrial memorandum which must be served and filed not less than 15 days before the date set for trial. If agreement cannot be reached, a memorandum must be prepared separately by each attorney and so submitted. A courtesy copy of each memorandum must be delivered to the court at the time of filing.

- (b) The pretrial memorandum must be as concise as possible and must state the date the conference between the parties was held, the persons present, and include in numerical order the following items:
 - (1) A brief statement of the facts of the case.
- (2) A list of all claims for relief designated by reference to each claim or paragraph of a pleading and a description of the claimant's theory of recovery with each category of damage requested.
 - (3) A list of affirmative defenses.
 - (4) A list of all claims or defenses to be abandoned.
- (5) A list of all exhibits, including exhibits which may be used for impeachment, and a specification of any objections each party may have to the admissibility of the exhibits of an opposing party. If no objection is stated, it will be presumed that counsel has no objection to the introduction into evidence of these exhibits.
 - (6) Any agreements as to the limitation or exclusion of evidence.
- (7) A list of the witnesses (including experts), and the address of each witness which each party intends to call. Failure to list a witness, including impeachment witnesses, may result in the court's precluding the party from calling that witness.
- (8) A brief statement of each principal issue of law which may be contested at the time of trial. This statement shall include with respect to each principal issue of law the position of each party.
 - (9) An estimate of the time required for trial.
 - (10) Any other matter which counsel desires to bring to the attention of the court prior to trial.

That rule provides in pertinent part:

Rule 2.20. Motions; contents; responses and replies; calendaring a fully briefed matter.

(a) Unless otherwise ordered by the court, papers submitted in support of pretrial and post-trial briefs shall be limited to 30 pages, excluding exhibits. Where the court enters an order permitting a longer brief or points and authorities, the papers shall include a table of contents and table of authorities.

motions must be in writing and filed no later than **August 7**, **2015**. Orders shortening time will not be signed except in <u>extreme emergencies</u>.

F. All motions in limine must be filed in compliance with EDCR 2.47¹¹ and filed no later than August 14, 2015. Orders shortening time will not be signed except in extreme emergencies.

- (b) All motions must contain a notice of motion setting the same for hearing on a day when the district judge to whom the case is assigned is hearing civil motions in the ordinary course. The notice of motion must include the time, department, and location where the hearing will occur.
- (c) A party filing a motion must also serve and file with it a memorandum of points and authorities in support of each ground thereof. The absence of such memorandum may be construed as an admission that the motion is not meritorious, as cause for its denial or as a waiver of all grounds not so supported.

That rule provides in pertinent part:

Rule 2.27. Exhibits.

- (a) Exhibits that are submitted to the court that are in excess of 10 pages in length must be numbered consecutively in the lower right-hand corner of the document. Exhibits shall be separated by sheets with the identification "Exhibit" centered in the separator page in 24-point font or larger.
- (b) Where the exhibits to be submitted are collectively in excess of 100 pages, the exhibits must be filed as a separate appendix and must include a table of contents identifying each exhibit and the numbering sequence of the exhibits.
- (c) Unless otherwise ordered by the court, exhibits that are in a format other than documents that can be scanned may not be filed in support of pretrial and post-trial briefs. Where the court enters an order permitting the filing of non-documentary exhibits in support of pretrial and post-trial briefs which contain audio or video information, the filing must be filed with a captioned cover sheet identifying the exhibit(s) and the document(s) to which it relates and be accompanied by a transcript of the contents of the exhibit.
- (d) Oversized exhibits shall be reduced to eight and one-half inches by eleven inches (8.5" × 11") unless otherwise permitted by the court or unless such reduction would destroy legibility. An oversized exhibit that cannot be reduced shall be filed manually and separately with a captioned cover sheet identifying the exhibit and the document(s) to which it relates.

11 That rule provides in pertinent part:

- Rule 2.47. Motions in limine. Unless otherwise provided for in an order of the court, all motions in limine to exclude or admit evidence must be in writing and filed not less than 45 days prior to the date set for trial and must be heard not less than 14 days prior to trial.
- (a) The court may refuse to sign orders shortening time and to consider any oral motion in limine and any motion in limine which is not timely filed or noticed.
- (b) Motions in limine may not be filed unless an unsworn declaration under penalty of perjury or affidavit of moving counsel is attached to the motion setting forth that after a conference or a good-faith effort to confer, counsel have been unable to resolve the matter satisfactorily. A "conference" requires a personal or telephone conference between or among counsel. Moving counsel must set forth in the declaration/affidavit what attempts to resolve the matter were made, what was resolved, what was not resolved and the reasons therefore. If a personal or telephone conference was not possible, the declaration/affidavit shall set forth the reasons.

G. Counsel shall meet, review, and discuss the proposed jury questionnaire. Counsel will submit in Word format the joint proposed jury questionnaire on or before **September 11**, **2015** or if no agreement has been reached the competing versions in Word format on or before September 13, 2015. The Court will freely grant requests for inclusion of questions by the Parties. Upon submission of the proposed jury questionnaire, the Court will review the jury questionnaire and will make any appropriate modifications. A hearing will be held on any objections to the jury questionnaire on **September 14, 2015 at 9:00 a.m.**

H. All original depositions anticipated to be used in any manner during the trial must be delivered to the clerk prior to the final Pre-Trial Conference. If deposition testimony is anticipated to be used in lieu of live testimony, a designation (by page/line citation) of the portions of the testimony to be offered must be filed and served by facsimile or hand, two (2) judicial days prior to the final Pre-Trial Conference. Any objections or counterdesignations (by page/line citation) of testimony must be filed and served by facsimile or hand, one (1) judicial day prior to the final Pre-Trial Conference commencement. If video depositions are sought to be used during the Trial, all edits must be completed and be available to be played to the Court at the Calendar Call. Counsel shall advise the clerk prior to publication.

I. In accordance with EDCR 2.67, counsel shall meet, review, and discuss exhibits. All exhibits must comply with EDCR 2.27.¹² Two (2) sets must be three hole punched placed in three ring binders along with the exhibit list. The sets must be delivered to the clerk prior to the final Pre-Trial Conference. Any demonstrative exhibits including exemplars anticipated to be used must be disclosed prior to the calendar call. Pursuant to EDCR 2.68, at the final Pre-Trial Conference, counsel shall be prepared to stipulate or make specific objections to individual proposed exhibits. Unless otherwise agreed to by the parties, demonstrative exhibits are marked for identification but not admitted into evidence.

Alternatively the parties may agree to utilize the Court's electronic exhibit protocol.

- J. In accordance with EDCR 2.67, counsel shall meet, review, and discuss items to be included in the Jury Notebook. Pursuant to EDCR 2.68, at the final Pre-Trial Conference, counsel shall be prepared to stipulate or make specific objections to items to be included in the Jury Notebook.
- K. In accordance with EDCR 2.67, counsel shall meet and discuss preinstructions to the jury, jury instructions, special interrogatories, if requested, and verdict forms. Each side shall provide the Court, at the final Pre-Trial Conference, an agreed set of jury instructions and proposed form of verdict along with any additional proposed jury instructions with an electronic copy in Word format.
- L. In accordance with EDCR 7.70, counsel shall file and serve by facsimile or hand, two (2) judicial days prior to the final Pre-Trial Conference, follow up Voir Dire to Jury Questionnaire responses proposed to be conducted pursuant to conducted pursuant to EDCR 2.68.

Failure of the designated trial attorney or any party appearing in proper person to appear for any court appearances or to comply with this Order shall result in any of the following: (1) dismissal of the action (2) default judgment; (3) monetary sanctions; (4) vacation of trial date; and/or any other appropriate remedy or sanction.

Counsel is required to advise the Court immediately when the case settles or is otherwise resolved prior to trial. A stipulation which terminates a case by dismissal shall also indicate whether a Scheduling Order has been filed and, if a trial date has been set, the date of that trial. A copy should be given to Chambers.

Dated this 12th day of June, 2015.

Elizabeth Gonzalez/ Ristrict Court Judge

Certificate of Service

I hereby certify, that on the date filed, this Order was served on the parties identified on

	I	[
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	1	Wiznet's e-service list.
	2 3	J. Stephen Peek, Esq. (Holland & Hart)
	4	
	5	Randall Jones (Kemp Jones Coulthard)
	6	Steve Morris (Morris Law)
	7	James J. Pisanelli, Esq. (Pisanelli Bice)
	8	Dan Kutinac
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Alun J. Column

TRAN

CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA

* * * * *

STEVEN JACOBS

Plaintiff . CASE NO. A-627691

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VS.

DEPT. NO. XI

LAS VEGAS SANDS CORP., et al..

Transcript of Proceedings

Defendants . Proc

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

HEARING ON SANDS CHINA'S OBJECTION TO NOTICE OF TURNBULL DEPOSITION AND MOTION FOR PROTECTIVE ORDER

TUESDAY, JUNE 16, 2015

APPEARANCES:

FOR THE PLAINTIFF: JAMES J. PISANELLI, ESQ.

TODD BICE, ESQ.

JORDAN T. SMITH, ESQ.

FOR THE DEFENDANTS: J. STEPHEN PEEK, ESQ.

JON RANDALL JONES, ESQ. STEVE L. MORRIS, ESQ.

COURT RECORDER: TRANSCRIPTION BY:

PATRICIA SLATTERY FLORENCE HOYT

District Court Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

1	LAS VEGAS, NEVADA, TUESDAY, JUNE 16, 2015, 8:34 A.M.	
2	(Court was called to order)	
3	THE COURT: I got the reply brief and I had a chance	
4	to review it.	
5	Can we get Mr. Peek back.	
6	THE LAW CLERK: Are we going to use timers?	
7	THE COURT: Oh, yeah. We're using timers today, the	
8	Steve Peek Honorary Timers.	
9	(Pause in the proceedings)	
10	THE COURT: While Kevin's trying to get Mr. Peek	
11	back on the phone could I have Mr. Pisanelli and Mr. Morris at	
12	the bench. And turn on my white noise.	
13	(Off-record bench conference)	
14	THE COURT: Did we find Mr. Peek?	
15	THE MARSHALL: We did.	
16	THE COURT: Can you put Mr. Peek on the podium.	
17	MR. PEEK: Good morning, Your Honor.	
18	THE COURT: Good morning, Mr. Peek.	
19	All right. Mr. Morris, it's your motion.	
20	MR. MORRIS: It's Mr. Jones's motion. I was helping	
21	him out.	
22	THE COURT: Mr. Jones, it's your motion.	
23	MR. RANDALL JONES: 'Morning, Your Honor.	
24	THE COURT: 'Morning.	
25	MR. RANDALL JONES: I know you've read the briefs,	

so I'll try to be brief myself. I think a couple of points I just want to emphasize. One is the affidavit of -- or the declaration of Mr. Turnbull. As the Court knows, he is a non-executive director, so he is -- and I understand that he's still a director, but he still has less ties with the company than the executive directors, who are all in the United States. So he has a more distant relationship and greater independence than the other parties. And, as you saw from his declaration, he has not even travelled to the United States in five years, he's never been to the state of Nevada. He's indicated what a substantial burden this would be on him. It's 7,000 miles one way. He would have to be here probably for a week because of the travel time we're talking about -- or he'd have to be gone from his employment for a week. So it is a substantial burden.

So, with that said, I believe the caselaw we've cited stands for the proposition that ordinarily you would take the deposition of a -- even of a director in the principal place of business of the company, especially when you're dealing with a corporate defendant, as opposed to the plaintiff. And we believe that the plaintiff has the burden of demonstrating peculiar circumstances in this case, that there are no peculiar circumstances that militate in favor of making Mr. Turnbull come all the way to the United States for this deposition.

The other point I would make is that the <u>Delphi</u> case that was cited by counsel as authority for the proposition that Mr. Turnbull should be forced to come here is distinguishable on its facts. In that case Delphi was -- in fact, the court decided right in the case that Delphi was doing business in the United States --

(Pause in the proceedings)

THE COURT: Keep going.

MR. RANDALL JONES: Anyway, in the <u>Delphi</u> case that they rely upon you have a situation where the court specifically cited the fact that Delphi was doing business in the United States and taking advantage of the federal rules of discovery in that case, and the court cited other cases that stood for the proposition where the company is doing business in the United States or taking advantage of the laws of the United States then they might be compelled to have their directors come here.

In this case, as you know, Sands China does not do any kind of business in the United States, has never done business in the United States, derives no revenue whatsoever from any operations in the United States. Not only is its principal place of business in Macau and Hong Kong, it, as I said, derives no revenue whatsoever from the United States or any jurisdiction in the United States. Do you have any questions, Your Honor?

THE COURT: Thank you. Nope.

Mr. Bice.

MR. BICE: Yes, Your Honor. Mr. Turnbull says, Your Honor, that, "I have had no contacts or a relationship with any person or entity in Nevada or elsewhere in the United States" that would require him to travel. Mr. Turnbull is a director of Sands China, which is by their own admission a 70 percent entity controlled by Las Vegas Sands Corporation. We saw all of the evidence that came out during the jurisdictional hearing of email strings which Mr. Turnbull was on referring to management being in Las Vegas -- or, again, referring to Mr. -- as the Court will recall, Mr. Leven being, quote, unquote, "management" of Sands China.

Thus, to claim that he's not -- first of all, their motion said he wasn't subject to just notice because he wasn't an officer or an agent. That's just wrong, number one, on the law. So now they've shifted again to the focus of, well, he's now an independent director, as though that somehow carries any legal significance whatsoever in terms of for purposes of Rule 30. Which it doesn't. We've properly noticed his deposition. And I would submit to the Court this is why I asked that the Court -- and I understand the Court said it was premature at the time -- to shorten the time frame for notices. Because here's exactly what we now face. They waited until the last -- his deposition is tomorrow. It was

noticed back on the 1st. They wait until the last possible minute and now are going to take the attitude of, well, it's just a foregone conclusion he can't be here, Your Honor, we have a motion for protective order pending. So they just buy a delay by the mere filing of this motion when they filed it. And I don't believe that that was an accident, Your Honor. That's why we'd asked before that these time frames be shortened so we could get these maneuvering -- this maneuvering out of the way. But, nonetheless, here we are. And instead we cite -- and they don't address this in their reply, you'll notice -- we cite legions of cases where courts have recognized that depositions occurring on U.S. soil is preferable because it avoids controversies about foreign sovereignty and foreign law, which is interesting in this case, to say the least, in light of the position that the defendants have taken.

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In actuality, Your Honor, as we cite the caselaw to you, this so-called presumption is merely a rule of decision — as the Federal Courts say, it is merely a rule of decision when there are no other factors favoring one location over the other. That's all it is. And here for the defendants to claim that there are no factors favoring the United States is, with all due respect, an absurdity. They took the position that Macau law precludes even the uttering of names when people are subject to deposition. And they took that position

-- it didn't matter whether they were in Macau or they were in Hong Kong; that was the position that these defendants took. So to claim that, well, there's nothing unique about the facts or circumstances of this case that warrant -- that favor taking these depositions on U.S. soil in light of the numerous cases that we have cited that establish that proposition is just not tenable. That was the position that they took.

Again, they are the parties that repeated that position, said that they couldn't even answer questions if they were in Hong Kong or Macau. That factor alone, Your Honor, under the caselaw that the Federal Courts have applied said that reason alone is enough to compel the depositions to be on U.S. soil. And for Mr. Turnbull to say, well, I didn't reasonably foresee that I would have to be giving testimony in the United States, when he's on the board of Sands China, refers to management as being in Las Vegas, knew that the contract, that the term sheet had been negotiated and agreed to in Las Vegas, knew all of those factors, it is not unfair or inappropriate for him to be in the United States on U.S. soil to be subject to that deposition, Your Honor.

Lastly, Your Honor, the other point that the courts make is when you have a contentious case, and I think everybody can agree that this is a contentious case, it is preferable and in fact the rule favors that the deposition should occur in the same time zone or in the forum so that the

court can intervene if necessary. You recall, I don't need to repeat, how many times we were on the phone with the Court on just the jurisdictional depositions. There was -- it was the exception that the Court did not have to intervene in the depositions and required to either sustain objections or overrule objects and compel the witnesses to answer. In light of that history, as the Federal Courts say in the cases we cite, that again counsels towards holding the depositions in the same area where the Court is located, because otherwise the Court won't be in a position to intervene, especially in Asia, which is 15 hours difference. I thank the Court.

THE COURT: Thank you.

Mr. Jones, you have 6 minutes left.

MR. RANDALL JONES: Thank you.

Judge, Mr. Bice continues to harp on these cases that he cited. Every case he cites is a case where the company did business in the United States. And his comment that the fact that Sands China is 70 percent owned by a U.S. company is irrelevant to the inquiry. That doesn't have anything to do with where the company does business. The company does not do business in the United States, and certainly has never done any business in Nevada. So all these emails that he's talking about, he can put his spin on the emails all he wants. Mr. Turnbull had communications with Mr. Leven. Mr. Turnbull was always in Hong Kong or Asia when he

was writing his emails. That's where he lives, that's where he works, that's where he does business. And that's where the company does business. So, no, there's no caselaw that Mr. Bice cites that stands for the proposition that he's trying to put forth here, and in fact this is just another way for them to try to impose sanctions on my client because of what they contend to be a history of issues.

THE COURT: Well, there has been a history of issues.

MR. RANDALL JONES: Well, Your Honor, with respect to his supposition or speculation about what may happen in a future deposition is not grounds in this case to demonstrate that Mr. Turnbull, an independent director, whether he likes it or not -- and by the way, we did mention the fact that he was an independent director in the original motion that we filed. And his comment about delay, they've always got some argument they're making about -- to try to drive or push the sanctions argument or issue. Yeah, there's a delay in getting this motion filed, because it was very difficult logistically to get with Mr. Turnbull, get the declaration, and get it back here so we could file the motion. That just demonstrates the very point we're making here. Even getting his declaration was not an easy task.

And I should correct myself. As Mr. Morris pointed out, Shin Wah was the company that was doing business in the

Delphi case, not Delphi, which is an American company.

But at the end of the day there is no caselaw they have cited that stands for the proposition they're pushing in this case that a company that does no business in the United States, let alone the state of Nevada, where the plaintiff, who doesn't even reside here, either, and has really no connection to this state other than he wants to sue here, is trying to force an independent director to come 7,000 miles for a week of his time to have his deposition taken here. There's no caselaw that supports that proposition.

THE COURT: Before you sit down, do you have a fallback position?

MR. RANDALL JONES: Well, Your Honor, the fallback position that I would offer to the Court is, which we did in this very case, is a video of Mr. Fleming. And by the way, Mr. Fleming's testimony is not Mr. Turnbull's testimony, so we don't know what Mr. Turnbull's going to say about MPDP or anything -- MPDPA or anything else. But, be that as it may, my firm has taken many depositions of principals, including directors, in cases involving foreign companies by video conference. At most that would be a manner in which the deposition could go forth, we can figure out the timing so that the Court could be available, assuming Mr. Bice thinks that there's an issue there that needs to be addressed. But that is a much more reasonable and fair way to address this

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1
    issue.
              THE COURT: Do you have any other fallback
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 3
   positions, or is that your only one?
 4
              MR. RANDALL JONES: That is the only one I have,
 5
    Your Honor.
 6
              MR. MORRIS: Other than notice the deposition in
 7
   Hong Kong?
 8
                          That is what your original position is,
              THE COURT:
 9
   which is what I asked for a fallback position.
10
              Anything else?
11
              MR. RANDALL JONES: No, Your Honor.
12
              THE COURT: Okay. The deposition will occur in
13
             It will be noticed on five days' notice.
    Hawaii.
              MR. MORRIS: Will the cost of that -- as the Delphi
14
    case which you're relying on here, will the cost of that be
15
16
    split between the parties?
17
              THE COURT:
                          No.
18
              MR. MORRIS:
                           Okay.
              MR. RANDALL JONES: So that'll be all borne by the
19
   plaintiff, then?
20
                               It'll all be borne by the
21
              THE COURT:
                          No.
                The transportation costs to get him there.
    defendant.
23
                         Thank you, Your Honor.
              MR. BICE:
              MR. MORRIS: All right.
24
25
                         Your Honor, my apologies.
                                                    I couldn't
              MR. PEEK:
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APP0046

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hear the ruling.
 2
              THE COURT: I denied the motion, ordered the
 3
    deposition to occur on five days' notice on American soil in
    Hawaii.
 4
 5
              MR. PEEK: Okay.
                          'Bye.
 6
              THE COURT:
 7
              MR. PEEK:
                         'Bye, Your Honor.
              THE COURT: Have a nice day.
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 9
                THE PROCEEDINGS CONCLUDED AT 8:50 A.M.
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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 M. HOYT, TRANSCRIBER

1	NOTC	٠.	
2	James J. Pisanelli, Esq., Bar No. 4027 JJP@pisanellibice.com		
3	Todd L. Bice, Esq., Bar No. 4534 TLB@pisanellibice.com Debra L. Spinelli, Esq., Bar No. 9695 DLS@pisanellibice.com Jordan T. Smith, Esq., Bar No. 12097 JTS@pisanellibice.com PISANELLI BICE PLLC 400 South 7th Street, Suite 300 Las Vegas, Nevada 89101 Telephone: (702) 214-2100 Facsimile: (702) 214-2101		
4			
-			
5			
6 7			
8	Attorneys for Plaintiff Steven C. Jacobs		
9		T COUDT	
10		T COURT	
11	CLARK COU		•
12	STEVEN C. JACOBS,	Case No.: Dept. No.:	A-10-627691 XI
13	Plaintiff, v.		
14	LAS VEGAS SANDS CORP., a Nevada		D NOTICE OF VIDEOTAPED ON OF DAVID TURNBULL
15	corporation; SANDS CHINA LTD., a Cayman Islands corporation; DOES I	STATE OF THE STATE	
16	through X; and ROÊ CORPORATIONS I through X,		
17	Defendants.	Date:	June 25, 2015
18		Time:	8:30 a.m.
19	AND RELATED CLAIMS		
20	DI FASE TAKE NOTICE 41-4-40-20	. (11-20	DOT) 1 . 25 2015 . D
21	PLEASE TAKE NOTICE that at 8:30 a		_
22	located at 7 Waterfront Plaza, 500 Ala Moana Blvd., Suite 400, Honolulu, Hawaii 96813		
23	Plaintiff Steven C. Jacobs ("Jacobs"), by and thr		_
24	the videotaped deposition of David Turnbull	upon oral exar	mination, pursuant to Rules 26 and
25	30 of the Nevada Rules of Civil Procedure, before a Notary Public or before some other office		Public or before some other officer
26	authorized by law to administer oaths.		
27			
28			
	1.		
		•	

Oral examination will continue from day to day until completed. You are invited to attend and cross examine.

DATED this 16th day of June, 2015.

PISANELLI BICE PLLC

By: /s/ Todd L. Bice

James J. Pisanelli, Esq., Bar No. 4027
Todd L. Bice, Esq., Bar No. 4534
Debra L. Spinelli, Esq., Bar No. 9695
Jordan T. Smith, Esq., Bar No. 12097
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101

Attorneys for Plaintiff Steven C. Jacobs

1	REC	EIPT OF COPY
. 2	I HEREBY CERTIFY that a tr	ue and correct copy of AMENDED NOTICE OF
3	WIDEOTAPED DEPOSITION OF DA	VID TURNBULL was received via hand delivery:
4	1	
5	5	HOLLAND & HART
e	Date: 6/16/15 @ 1:01 pm	By: J. Stephen Peck (QD)
7	7	J. Stephén Peek, Esq. Robert J. Cassity, Esq.
8	8	9555 Hillwood Drive, Second Floor Las Vegas, NV 89134
9	9	Attorneys for Defendant Las Vegas Sands Corp.
10	0	
1]	1	KEMP, JONES & COULTHARD
12	2 Date: 6/16/15 @ 1:29pm	By: 4. Kandall Jones / 613
13	3	A. Randall Jones, Esq. Mark M. Jones, Esq.
14		3800 Howard Hughes Parkway, 1 Loor Las Vegas, NV 89169
15		
16		MORRIS LAW GROUP
13	Date:	By:
18		Steve Morris, Esq. Rosa Solis-Rainey, Esq.
19		900 Bank of America Plaza 300 South Fourth Street
20		Las Vegas, NV 89101
2		
22	 	
23		
2		
2:	•	
20	6	

PISANELLI BICE PLIC 400 SOUTH 7TH STREET, SUITE 300 LAS VEGAS, NEVADA 89101

1	RECEIPT OF COPY		
2	I HEREBY CERTIFY that a true and correct copy of AMENDED NOTICE OF VIDEOTAPED DEPOSITION OF DAVID TURNBULL was received via hand delivery:		
3			
4		·	
5		HOLLAND & HART	
6	Data		
7	Oate:	By: J. Stephen Peek, Esq. Pehert J. Coggity, Esq.	
8		Robert J. Cassity, Esq. 9555 Hillwood Drive, Second Floor Las Vegas, NV 89134	
9		Attorneys for Defendant Las Vegas Sands Corp.	
11		KEMP, JONES & COULTHARD	
12			
13	Date:	By:	
14		Mark M. Jones, Esq. 3800 Howard Hughes Parkway, 17th Floor	
15		Las Vegas, NV 89169	
16		MORRIS LAW GROUP	
17	Date: 6/16/15 @ 153pm	annalrealls La	
18	Date: <u>\(\text{\(\)}}}} \end{\(\text{\(\text{\(\text{\(\text{\(\text{\(\text{\(\text{\(\text{\(\)}}}} \end{\(\text{\(\text{\(\)}}} \end{\(\text{\(\text{\(\)}}} \end{\(\text{\(\)}} \end{\(\text{\(\)}} \end{\(\text{\(\)}} \end{\(\text{\(\)}} \end{\(\)} \(</u>	By: Steve Morris, Esq.	
19		Rosa Solis-Rainey, Esq. 900 Bank of America Plaza	
20		300 South Fourth Street Las Vegas, NV 89101	
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TRAN

DISTRICT COURT CLARK COUNTY, NEVADA * * * * *

STEVEN JACOBS

Plaintiff CASE NO. A-627691

vs.

DEPT. NO. XI

LAS VEGAS SANDS CORP., et al..

.

Transcript of Defendants . Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

HEARING ON SANDS CHINA'S MOTION TO STAY COURT'S JUNE 16, 2015, ORDER TO TAKE DEPOSITION PENDING DEFENDANT'S PETITION FOR WRIT OF PROHIBITION OR MANDAMUS

FRIDAY, JUNE 19, 2015

APPEARANCES:

FOR THE PLAINTIFF: TODD BICE, ESQ.

FOR THE DEFENDANTS: J. STEPHEN PEEK, ESO.

JON RANDALL JONES, ESO. STEVE L. MORRIS, ESQ.

COURT RECORDER: TRANSCRIPTION BY:

FLORENCE HOYT JILL HAWKINS

District Court Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

LAS VEGAS, NEVADA, FRIDAY, JUNE 19, 2015, 8:55 A.M. 1 2 (Court was called to order) THE COURT: I have drafted an order of my own, 3 because I didn't really like either of the orders you 4 submitted related to Mr. Turnbull. It'll be filed and served 5 later this morning. Laura has pointed out a couple of 6 7 typographical and punctuation issues, so you will have your 8 order before noon. 9 MR. RANDALL JONES: Thank you. 10 MR. BICE: Thank you. THE COURT: It's your motion. 11 12 MR. RANDALL JONES: Your Honor, similar to I quess 13 it was just yesterday. 14 THE COURT: Yes. This is your third day this week. 15 MR. RANDALL JONES: I don't have a whole lot to add. 16 I think that our point is pretty obvious and straightforward, and this is of a significant enough concern to the client and 17 to Mr. Turnbull that we are asking this Court for a stay and 18 19 for the stated reasons. 20 THE COURT: Thank you. MR. RANDALL JONES: Thank you. 21 22 MR. RANDALL JONES: I don't know if anybody else had 23 anything to add. 24 MR. MORRIS: Nothing other than that the coffee was 25 very good. It was hot, and I thank you for it.

1 THE COURT: We aim to serve. 2 MR. PEEK: Nothing --3 THE COURT: You may not always agree with my 4 rulings, but we're always hospitable in this department. Mr. Bice, I did get your opposition, and I had an 5 6 opportunity to read it. 7 MR. BICE: Thank you, Your Honor. I mean, our 8 position is as straightforward as theirs. This is not a 9 matter that is reviewable by way of writ, and, even if it 10 were, there is no showing that had been made, and in fact my client is the one at risk here of harm should this witness 11 12 become, quote, "unavailable" in the near future. Thank you. 13 THE COURT: Thank you. 14 Anything else, Mr. Jones? MR. JOHNSON: Not that I can think of at the moment, 15 16 Your Honor. 17 THE COURT: This is a discovery issue, and discovery 18 issues are typically discretionary with the Court. The 19 standard on the writ for a discovery issue is an abuse of discretion standard. In this case I do not believe I've 20 21 abused my discretion, and for that reason your motion for stay 22 is denied. 23 MR. PEEK: Thank you, Your Honor. 24 THE COURT: What am I supposed to say? 25 THE PROCEEDINGS CONCLUDED AT 8:57 A.M.

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 M. HOYT, TRANSCRIBER

Electronically Filed 06/19/2015 10:56:36 AM

CLERK OF THE COURT

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24 **CLERK OF THE COURT**22
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ORDR

DISTRICT COURT CLARK COUNTY, NEVADA

Plaintiff,

STEVEN C. JACOBS,

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.

A-10-627691 Case No.: XI Dept. No.:

ORDER OVERRULING OBJECTION TO NOTICE OF DEPOSITION OF DAVID TURNBULL AND DENYING MOTION FOR PROTECTIVE ORDER

Hearing Date:

June 16, 2015

Hearing Time:

8:30 a.m.

AND RELATED CLAIMS

Defendants' Objection to Notice of Deposition of David Turnbull and Motion for Protective Order and Application for Order Shortening Time came on for hearing on June 16, 2015. James J. Pisanelli, Esq., Todd L. Bice, Esq. and Jordan T. Smith, Esq. appeared on behalf of Plaintiff Steven C. Jacobs ("Jacobs"); J. Randall Jones, Esq., appeared on behalf of Defendants Sands China, Ltd. ("SCL"); J. Stephen Peek, Esq. and Robert Cassidy, Esq. appeared on behalf of Las Vegas Sands Corp. ("LVSC") as well as SCL; and, Steve Morris, Esq. appeared on behalf of Defendant Sheldon G. Adelson ("Adelson"). The Court having considered the briefing on the Motion as well as argument overrules the Objection and denies the Motion for the following reasons:

- Jacobs served a notice of deposition on Defendants on June 1, 2015, setting the 1. deposition of Mr. Turnbull for June 17, 2015. Mr. Turnbull is a Director of SCL. As he is within the control of SCL, his deposition may be taken by way of notice and a subpoena is not required.
- In Club Vista Fin. Servs. v. Dist. Ct., 128 Nev. Adv. Op. 21, 276 P.3d 246, 249 2. (2012) the Nevada Supreme Court noted district courts have discretion in handling discovery:

Discovery matters are within the district court's sound discretion, and we will not disturb a district court's ruling regarding discovery unless the court has clearly abused its discretion. (citation omitted). Thus, we generally will not exercise our discretion to review discovery orders through petitions for extraordinary relief, unless the challenged discovery order is one that is likely to cause irreparable harm, such as a blanket discovery order, issued without regard to the relevance of the information sought, or an order that requires disclosure of privileged information. (citation omitted)

- 3. No issue of relevance or privilege is raised in the Objection or Motion with respect to the deposition of Mr. Turnbull.
- 4. Based upon the Court's long experience in this action, other factors besides the location of the party associated witness weigh heavily in requiring the deposition to occur on U.S. soil.
- 5. Defendants have failed to establish good cause to hold Mr. Turnbull's deposition in Macau or Hong Kong, as they request.
- 6. Based upon the facts and history of this action, the Court exercises its discretion and determines that Mr. Turnbull's deposition should be conducted on U.S. soil and under circumstances where the Court can actively supervise a discovery dispute, if necessary.
- 7. Given Mr. Turnbull's claim in his declaration that traveling to Nevada would be a burden on his schedule, the Court will order that the deposition be conducted at an area more proximate to his residence.
- 8. The Court recognizes the hardship of travel for those located in the Far East and balances that against the importance of the full and complete depositions of the employees, officers and directors being conducted in a location where the laws of the U.S. will bind those providing testimony. The State of Hawaii is a location which accommodates the travel challenges for all involved and permits protection and assurances necessary for this litigation.
- 9. Jacobs first noticed this deposition on June 1 and the Defendants first raised an objection on June 12, filing their Motion for Protective Order, the Court will permit Jacobs to

This has included video testimony from Hong Kong in which general counsel of SCL Fleming, claimed he could not provide names of those involved in tasks at issue in this case.

It remains unclear to the Court after the jurisdictional hearing who is employed by SCL.

1	reset the deposition in Hawaii on an additional five-day's notice, as the Defendants and
2	Mr. Turnbull were previously provided over 15 days' notice for the first setting. ³
3	Dated this 28th day of May, 2015.
4	SieHAM - O
5	ELIZABETH GONZALEZ
6	Certificate of Service District Court Judge
7	I hereby certify, that on the date filed, this Order was served on the parties identified on
8	Wiznet's e-service list.
9	J. Stephen Peek, Esq. (Holland & Hart)
10	Randall Jones (Kemp Jones Coulthard)
11	Steve Morris (Morris Law)
12	James J. Pisanelli, Esq. (Pisanelli Bice)
13	
14	Dan Kutinac
15	Duil Ruillius
1617	· ·
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27	3 Additionally based year testimony proviously given by Sheldon Adelson Jacobs ha
28	Additionally, based upon testimony previously given by Sheldon Adelson, Jacobs ha raised concerns about Mr. Turnbull's future accessibility for discovery, a concern which Defendants do not address.

CLERK OF THE COURT

ACOM 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 Jordan T. Smith, Esq., Bar No. 12097 4 JTS@pisanellibice.com PISANELLI BICE PLLC 400 South 7th Street, Third Floor Las Vegas, Nevada 89101 6 Telephone: (702) 214-2100 7 Facsimile: (702) 214-2101 8 Attorneys for Plaintiff Steven C. Jacobs 9 10 **CLARK COUNTY, NEVADA** STEVEN C. JACOBS, 11 Plaintiff, 12 V. 13 LAS VEGAS SANDS CORP., a Nevada 14 corporation; SANDS CHINA LTD., a Cayman Islands corporation; SHELDON ADELSON, an individual; DOES I through X; 15

and ROE CORPORATIONS I through X,

AND RELATED CLAIMS

A-10-627691 Case No.:

Dept. No.: XI

FOURTH AMENDED COMPLAINT

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

Defendants.

PARTIES

DISTRICT COURT

- Plaintiff Steven C. Jacobs ("Jacobs") is a Florida resident who also maintains a 1. residence in Georgia.
- Defendant Las Vegas Sands Corp. ("LVSC") is a publicly-traded Nevada 2. corporation with its principal place of business in Clark County, Nevada. More than 50% of the voting power in LVSC is controlled, directly or indirectly, by its Chairman and CEO, Sheldon G. Adelson ("Adelson").

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- Defendant Sands China Ltd. ("Sands China") is a Cayman Islands corporation and 3. is 70% owned by LVSC. Sands China is publicly traded on the Hong Kong Stock Exchange. While Sands China publicly holds itself out as being headquartered in Macau, its true headquarters are in Las Vegas, where all principle decisions are made and direction is given by executives acting for Sands China.
- 4. Defendant Adelson is a Nevada resident who directs and operates his gaming enterprise from Las Vegas, Nevada.
- The true names and capacities, whether individual, corporate, partnership, associate 5. otherwise of Defendants named herein as DOES I through X, inclusive, and ROE CORPORATIONS I through X, inclusive, and each of them are unknown to Plaintiff at this time, and he therefore sues said Defendants and each of them by such fictitious names. Plaintiff will advise this Court and seek leave to amend this Complaint when the names and capacities of each such Defendants have been ascertained. Plaintiff alleges that each said Defendant herein designated as a DOE or ROE is responsible in some manner for the events and happenings herein referred to as hereinafter alleged.
- Each Defendant is the agent of the other Defendants such that each Defendant is 6. fully liable and responsible for all the acts and omissions of all of the other Defendants as set forth herein.

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.
- Venue is proper in this Court pursuant to NRS 13.010 et seq. because the material events giving rise to the claims asserted herein occurred in Clark County, Nevada.

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COMMON ALLEGATIONS

LVSC's Dysfunction and Infighting

- 9. LVSC and its subsidiaries develop and operate large integrated resorts worldwide. The company owns and operates 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, was a Portuguese colony for over 400 years, and is the largest and fastest growing gaming market in the world. 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 was in a financial freefall, with its own auditors subsequently issuing a going concern warning to the public. LVSC's problems due to the economic decline were exacerbated when the Chinese government imposed visa restrictions limiting the number of permitted visits by Chinese nationals to Macau. Because Chinese nationals make up more than half the patrons of Macau casinos, China's policy significantly reduced the number of visitors to Macau from mainland China, which adversely impacted tourism and the gaming industry in Macau. LVSC insiders viewed these visa restrictions as a message from the Chinese Central Communist government's displeasure over a number of activities by LVSC and its Chairman, Adelson.
- 13. Indeed, LVSC's Board members and senior executives internally expressed concern over Adelson's oftentimes erratic behavior, but failed to inform shareholders or take corrective action. Adelson's behavior had become so corrosive that some government officials in Macau, one of LVSC's principal markets, were no longer willing to even meet with Adelson. On a fact-finding tour of Asia by select LVSC Board members and senior executives where they met to discuss LVSC's declining fortunes with Asian business leaders and government officials a common theme

was that Adelson had burned many bridges in Macau and specific reference was made to an often-discussed confrontation between Macau's then-Chief Executive, Edmund Ho, and Adelson. Indeed, in the fact-finding tour's meeting with Chief Executive Ho, he informed the LVSC executives of his views that while Adelson had done much to improve Macau's economic fortunes, the time had come for him to spend more time with his family and leave the company's operations to others. Translated into blunt businessman's terms: Adelson needed to retire.

- 14. Adelson's behavior did not just alienate outsiders, it effectively paralyzed the management's ability to respond to the financial calamity. LVSC faced increased cash flow needs, which, in turn, threatened to trigger a breach of the company's maximum leverage ratio covenant in its U.S. credit facilities. Due to Adelson's erratic behavior, LVSC's then-president and Chief Operating Officer William Weidner ("Weidner") lost confidence in Adelson's abilities, and undertook steps that Adelson would characterize as an attempted coup. Because Adelson controls more than fifty percent (50%) of LVSC's voting power, Adelson forced Weidner's removal from the company so as to preserve his own control.
- 15. Weidner was replaced as President and COO by Michael Leven ("Leven"), a member of LVSC's Board of Directors.
- Because of the dysfunction and paralysis Adelson created, LVSC failed to access capital markets in a timely fashion, which then forced the company to engage in a number of emergency transactions to raise funds in late 2008 and early 2009. Ironically for LVSC's shareholders all of those except for Adelson, that is this unnecessary delay resulted in Adelson's personal wealth as the financing source for a quick influx of liquidity. But, to access those funds, Adelson would charge LVSC a hefty price, obtaining convertible senior notes, preferred shares, and warrants. Later, Adelson would reap a staggering windfall as a result of these highly-favorable (for him) financing terms. Conveniently, Adelson was the principal beneficiary, to the detriment of all other shareholders, of the very financial calamity that he helped create.

LVSC Hires Jacobs to Run Its Macau Operations

17. It is in this poisonous environment that Jacobs enters the LVSC picture. Even before Leven became LVSC's President and COO, he had reached out to Jacobs to discuss potential COO

candidates to replace Weidner. Leven and Jacobs had known each other for many years having worked together at U.S. Franchise Systems in the 1990's and in subsequent business ventures thereafter. When Leven received an offer from LVSC's Board to become the company's President and COO, he again reached out to Jacobs to discuss the opportunity and the conditions under which he (Leven) would accept the position. The conditions included but were not limited to Leven's compensation package and a commitment from Jacobs to join Leven for a period of 90-120 days to "ensure my [Leven's] success."

- 18. Jacobs travelled to Las Vegas in March 2009 where he met with Leven and Adelson for several days to review the company's Nevada operations. While in Las Vegas, the parties agreed to a consulting contract between LVSC and Jacobs' company, Vagus Group, Inc. Jacobs then began assisting LVSC in restructuring its Las Vegas operations.
- 19. Jacobs, Leven, and Adelson subsequently travelled to Macau to conduct a review of LVSC's operations there. While in Macau, Leven told Jacobs that he wanted to hire him to run LVSC's Macau operations. Jacobs and Leven returned to Las Vegas after spending approximately a week in Macau. Jacobs then spent the bulk of the next 2-3 weeks working on the Las Vegas restructuring program and also negotiating with Leven regarding LVSC's desire to hire him as a full-time executive.
- 20. On May 6, 2009, LVSC announced that Jacobs would become the interim President of Macau Operations. Jacobs was charged with restructuring the financial and operational aspects of the Macau assets. This included, among other things, lowering operating costs, developing and implementing new strategies, building new ties with local and national government officials, and eventually spinning off the Macau assets into a new company to be taken public on the Hong Kong Stock Exchange.
- 21. Notwithstanding that Jacobs would be spending the majority of his time in Macau focusing on LVSC's operations in that location, he was also required to perform duties in Las Vegas including, but not limited to, working with LVSC's Las Vegas staff on reducing costs within the company's Las Vegas operations, consulting on staffing and delayed opening issues related to the

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company's Marina Bay Sands project in Singapore, and participating in meetings of LVSC's Board of Directors.

- 22. On June 24, 2009, LVSC awarded Jacobs 75,000 stock options in the company to reward him for his past performance as a LVSC team member and to incentivize him to improve his future performance as well as that of the company. LVSC and Jacobs executed a written Nonqualified Stock Option Agreement memorializing the award.
- On or about August 4, 2009, Jacobs received LVSC's "Offer Terms and Conditions" 23. (the "Term Sheet") for the position of "President and CEO Macau[.]" The Term Sheet reflected the terms and conditions of employment that had been negotiated by Leven and Jacobs while Jacobs was in Vegas working under the original consulting agreement with LVSC and during his subsequent trips back to Las Vegas. With Adelson's express approval, Leven signed the Term Sheet on or about August 3, 2009, and had his assistant, Patty Murray, email it to Jacobs who was then in Macau. Jacobs signed the Term Sheet accepting the offer contained therein and delivered a copy to LVSC. LVSC's Compensation Committee approved Jacobs' contract on or about August 6, 2009. LVSC thereafter filed a copy of the Term Sheet with the United States Securities and Exchange Commission, disclosing it as Jacobs' employment contract with LVSC.
- According to LVSC, it subsequently assigned the terms and conditions of Jacobs' 24. employment with LVSC to both VML and Sands China.

Jacobs Saves the Titanic

- 25. The bases for Jacobs' full-time position were apparent. The accomplishments for the four quarters over which Jacobs had presided created significant value. From an operational perspective, Jacobs and his team removed over \$365 million of costs from LVSC's Macau operations, repaired strained relationships with local and national government officials in Macau who would no longer meet with Adelson due to his obstreperous behavior, and refocused operations on core businesses to drive operating margins and profits, thereby achieving the then-highest EBITDA figures in the history of the company's Macau operations.
- 26. Due in large part to the success of its Macau operations under Jacobs' direction, LVSC was able to raise over \$4 billion dollars from the capital markets, spin off its Macau

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operations into a new company - Sands China Limited - which became publicly traded on the Hong Kong Stock Exchange in late November 2009, and restart construction on a previously stalled expansion project on the Cotai Strip known as "Parcels 5 and 6." Indeed, for the second quarter ending June 2010, net revenue from Macau operations accounted for approximately 65% of LVSC's total net revenue (i.e., \$1.04 billion USD of a total \$1.59 billion USD).

- 27. To put matters in perspective, when Jacobs began performing work for the company in March 2009, LVSC shares were trading at just over \$1.70 per share and its market cap was approximately \$1.1 billion USD. At the time of Jacobs' departure in July 2010, LVSC shares were over \$28 per share and its market cap exceeded \$19 billion USD.
- Jacobs' success was repeatedly confirmed by Board members of LVSC as well as 28. those of the new spinoff, Sands China. When Leven was asked in February 2010 to assess Jacobs' 2009 job performance, he advised: "there is no question as to Steve's performance[;] the Titanic hit the iceberg[,] he arrived and not only saved the passengers[,] he saved the ship." Unremarkably, Jacobs received a full bonus in 2009 and no more than three months later, in May 2010, he was awarded an additional 2.5 million stock options in Sands China. The options had an accelerated vesting period of less than two years.
- But Adelson would make sure that Jacobs was cheated out of what he was owed, a 29. practice that Adelson has honed in dealing with many executives and companies that refused to do as Adelson demanded.

Jacobs' Confrontations with Adelson

30. Jacobs' success was in spite of numerous ongoing debates he had with Adelson, including Adelson's insistence that as Chairman of both LVSC and Sands China, and the primary shareholder, he was ultimately in charge, including on day-to-day operations as well as such minute issues as carpeting, room design, and the choice of paper towel dispensers to be used in the men's room. As Leven would remind Jacobs, both orally and in writing, Adelson was in charge and the substantive decisions, including such things as construction in Macau, were controlled and made in Las Vegas:

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decisions are made by sga and las vegas[.] [T]here appears to be some confusion and I want to clear the matter once and for all [that everyone has inputed [sic] but sga makes the final decisions[.]		
31. But a greater in	npediment concerned the unlawful and/or unethical bu	
put in place by Adelson and/o	or under his watch, as well as repeated outrageous de	
made to pursue illegal and ille	gitimate ends. The demands included, but were not l	
	Demands that Jacobs use improper "leverage" againg senior government officials of Macau in order to obtai Strata-Title for the Four Seasons Apartments i Macau;	
	Demands that Jacobs threaten to withhold Sands Chin business from prominent Chinese banks unless the agreed to use influence with newly-elected senic government officials of Macau in order to obtain Strata-Title for the Four Seasons Apartments and favorable treatment with regards to labor quotas and table limits;	
	Demands that secret investigations be performed regarding the business and financial affairs of various high-ranking members of the Macau government secretary and the secreta	

ful and/or unethical business practices peated outrageous demands Adelson cluded, but were not limited to:

Per my discussion with sga [Adelson] pls be advised that input from anyone [in Macau] is expected and listened to but final design

- pper "leverage" against Iacau in order to obtain easons Apartments in
- withhold Sands China ese banks unless they newly-elected senior u in order to obtain sons Apartments and ds to labor quotas and
- gations be performed ncial affairs of various Macau government so that any negative information obtained could be used to exert "leverage" in order to thwart government regulations/initiatives viewed as adverse to LVSC' s interests;
- d. Demands that Sands China continue to use the legal services of Macau attorney Leonel Alves despite concerns that Mr. Alves' retention posed serious risks under the criminal provisions of the United States code commonly known as the Foreign Corrupt Practices Act ("FCPA"); and
- Demands that Jacobs refrain from disclosing truthful e. and material information to the Board of Directors of Sands China so that it could decide if such information relating to material financial events, corporate governance, and corporate independence should be disclosed pursuant to regulations of the Hong Kong Stock Exchange. These issues included, but were not to, junkets limited and triads, government investigations, Leonel Alves and FCPA concerns, development issues concerning Parcels 3, 7 and 8, and the design, delays and cost overruns associated with the development of Parcels 5 and 6.

- 32. Jacobs reported these improprieties to Leven and LVSC's general counsel, in accordance with LVSC's company whistleblower guidelines.
- 33. When Jacobs objected to and/or refused to carry out Adelson's illegal demands, Adelson repeatedly threatened to terminate Jacobs' employment. This is particularly true in reference to: (i) Jacobs' refusal to comply with Adelson's edict to terminate Sands China's General Counsel, Luis Melo ("Melo"), and his entire legal department and replace him/it with Leonel Alves and his team; (ii) Adelson's refusal to allow Jacobs to present to the Sands China Board 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 accourtements the Sands China management team did not believe would be successful in the local marketplace; (iii) Adelson's refusal to allow Jacobs to disclose to the Board LVSC findings relating to the allegations contained in a Reuters article that LVSC was conducting business with Chinese organized crime syndicates, known as Triads; and (iv) Adelson's refusal to allow Jacobs to discuss his concerns with the Board regarding the use and rehiring of Leonel Alves after Alves had requested a \$300 million payment for government officials in China.
- 34. During this same time, Jacobs began developing suspicions concerning the propriety of certain financial practices and transactions involving LVSC and other LVSC subsidiaries, including, but not limited to: (i) certain transactions related to Hencing island, the basketball team, the Adelson Center, and the Macau ferry contract which all involved payments that LVSC made; (ii) allegations concerning LVSC's practice of couriering undeclared monies into the United States to repay gambling debts of third parties and/or to be used to fund accounts for non-residents once they arrived in the country; (iii) LVSC's practice referred to as the Affiliate Transaction Advise ("ATA"), which allowed third parties and gamblers to move money into the United States by depositing monies with an LVSC overseas affiliate or marketing office, creating an account in Las Vegas from which the depositor or their designee would be issued chips with which to gamble, and then transferring the "winnings" back offshore either to the original depositor or to a third party designee not involved in the transaction; (iv) using the ATA process to move monies for known

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and/or alleged members of Triads; and (v) structuring and/or using offshore subsidiaries to funnel monies onto the gaming floor.

- 35. One such suspicious entity was WDR, LLC, a wholly-owned subsidiary set up by LVSC at the apparent behest of Robert Goldstein. When Jacobs raised that entity and certain transactions with Sands China's then-existing CFO, he similarly considered the transactions involving WDR as suspicious and expressed concerns over potential money laundering. Of course, Jacobs would be fired before he could further pursue the matter. When LVSC's then-existing CFO, Ken Kay, was asked about WDR at a deposition, he professed to have no knowledge of WDR or what purpose it would serve. But, just a few months after Kay was questioned about WDR, Leven quietly had the entity dissolved.
- Jacobs' disagreements with Adelson came to a head in late June 2010 when they 36. were in Singapore to attend the grand opening of LVSC's Marina Bay Sands. While in Singapore, Jacobs attended several meetings of LVSC executives including Adelson, Leven, Ken Kay (LVSC's Chief Financial Officer), and others. During these meetings, Jacobs disagreed with Adelson's and Leven's desire to expand the ballrooms at Parcels 5 and 6, which would add an incremental cost of approximately \$30 million to a project already significantly over budget when Sands China's existing facilities were already underutilized. In a separate meeting, Jacobs disagreed with Adelson's desire to aggressively grow the junket business within Macau as the margins were low, the decision carried credit risks, and based upon recent investigations by Reuters and others alleging LVSC's involvement with Chinese organized crime groups, known as Triads, connected to the junket business.
- Following these meetings, Jacobs re-raised the issue about the need to advise the Sands China Board of the delays and cost overruns associated with the development of Parcels 5 and 6 in Macau so that a determination could be made of whether the information must be disclosed. Jacobs also raised the need to disclose LVSC's involvement with Triads and the implications of Adelson's desire to grow Sands China's junket business in Macau, as well as Adelson's rehiring of Leonel Alves, given Jacobs' and others' FCPA concerns. Once again, Adelson reminded Jacobs that he was both the chairman and the controlling shareholder and that Jacobs should "do as I

38. When Jacobs refused, Adelson commenced carrying out a scheme to fire and discredit Jacobs for having the audacity to blow the whistle and confront Adelson. Adelson has admitted his personal animus and malice toward Jacobs even before firing him. Adelson had privately been angling for some excuse to terminate Jacobs.

LVSC and Sands China Implement Adelson's "Exorcism Strategy"

- 39. In or about July 2010, Adelson directed executives from LVSC in Las Vegas, Nevada to begin the process of terminating Jacobs. This process, which would be referred to as the "exorcism strategy," was planned and carried out from Las Vegas and included (1) the creation of fictitious Sands China letterhead upon which a notice of termination was prepared, (2) preparation of the draft press releases with which to publicly announce the termination, and (3) the handling of all legal-related matters for the termination. Again, all of these events took place in Las Vegas, ostensibly by agents acting for both LVSC and Sands China.
- 40. Indeed, it was LVSC in-house attorneys, claiming to be acting on behalf of Sands China, who informed the Sands China Board on or about July 21, 2010, about Adelson's decision to terminate Jacobs, and directed the Board members to sign the corporate documents necessary to effectuate Jacobs' termination. These same attorneys promised to explain the basis for the termination to the Board members during the following week's Board meeting (after the termination took place). Predictably, as Adelson is all-controlling, he took action first and then decreed how the Board thereafter reacted.
- 41. Promptly thereafter, the team that Adelson had placed in charge of overseeing the sham termination Leven, Kenneth Kay (LVSC's CFO), Irwin Siegel (LVSC/Sands China Board member), Gayle Hyman (LVSC's general counsel), Daniel Briggs (LVSC's VP of investor relations), Ron Reese (LVSC's VP of public relations), Brian Nagel (LVSC's chief of security),

Patrick Dumont (LVSC's VP of corporate strategy), and Rom Hendler (LVSC's VP of strategic marketing) – left Las Vegas and went to Macau in furtherance of the scheme.

- 42. On the morning of July 23, 2010, Jacobs attended a meeting with Leven and Siegel, which had been represented to him (albeit falsely) as pertaining to the upcoming Sands China Board meeting. During the meeting, Leven unceremoniously advised Jacobs that he was being terminated effective immediately. When Jacobs asked whether the termination was purportedly "for cause" or not, Leven responded that he was "not sure" but that the severance provisions of the Term Sheet would not be honored. Leven then handed Jacobs the letter drafted by LVSC's attorneys and signed by Adelson advising him of the termination.
- 43. Cognizant that he had no legitimate basis to terminate Jacobs for cause, Adelson authorized and expected Leven to meet with Jacobs and implement the termination strategy. As is now a well-documented Adelson tactic, he had no regard for the contractual terms of Jacobs' employment agreement. Instead, Adelson's tried and true tactic is to demand a discount off of what is contractually owed for a lesser amount. If Jacobs, or anyone else for that matter, will not acquiesce in Adelson's strong arm tactics, Adelson retorts to "sue me, then." And, that is essentially how the Adelson game-plan played out with Jacobs.
- 44. When Leven could not persuade Jacobs to "voluntarily" resign, Jacobs was escorted off the property by two members of security in public view of many company employees, resort guests, and casino patrons. Jacobs was not permitted to return to his office to collect his belongings, but was instead escorted to the border to leave Macau.
- 45. Because Leven had not been able to persuade Jacobs to resign, the next play from the Adelson playbook went into effect fabricating purported cause for the termination. Once again, this aspect of the plan was also carried out in Las Vegas by executives professing to act for both LVSC and Sands China. Indeed, this time they prepared a false letter in Las Vegas and put it on Venetian Macau, Ltd. letterhead and identified twelve manufactured "for cause" reasons for Jacobs' termination. Transparently, one of the purported reasons is an attempt to mask one of Adelson's personal transgressions: The letter absurdly claimed that Jacobs exceeded his authority and failed to keep the companies' Boards of Directors informed of important business decisions.

Not surprisingly, not only are the after-the-fact excuses a fabrication, they would not constitute "cause" for Jacobs' termination even if they were true, which they are not.

- 46. All but conceding that fact, Adelson would later claim to have developed (*i.e.*, fabricated) some 34 "for cause" reasons for Jacobs' termination.
- 47. Confirming what Jacobs had complained about regarding Adelson's improper demands and concealment of information from the Board, Adelson subsequently arranged the termination of Sands China's then-General Counsel, Luis Melo, and made sure that Leonel Alves was retained to perform services for Sands China despite knowledge of Alves acting with disregard for the United States Foreign Corrupt Practices Act. Also with Jacobs' departure, and with complete disregard for internal concerns regarding junket affiliations with Triads, Adelson announced that Sands China would be implementing a new junket strategy whereby it would partner with existing and established junkets to grow its VIP business. In or about the same time frame, LVSC and Sands China also publicly disclosed a material delay in the construction of Parcels 5 and 6 and a cost increase of \$100 million to the project, further confirming the appropriateness of Jacobs' insistence upon disclosure despite Adelson's insistence otherwise.
- 48. Jacobs was not terminated for cause. He was terminated for blowing the whistle on improprieties and placing the interests of shareholders above those of Adelson. Indeed, in just one candid communication Leven sent to executives (including Adelson) just days before Jacobs' termination, Leven claimed that the problem with Jacobs was that "he believes he reports to the board, not the chair [Adelson]."

FIRST CAUSE OF ACTION

(Breach of Contract – LVSC & Sands China)

- 49. Plaintiff restates all preceding and subsequent allegations as though fully set forth herein.
- 50. Jacobs and LVSC are parties to various contracts, including the Term Sheet and Nonqualified Stock Option Agreement identified herein.
- 51. The Term Sheet provides, in part, that Jacobs would have a 3-year employment term, that he would earn an annual salary of \$1.3 million plus a 50% bonus upon attainment of certain

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goals, and that he would receive 500,000 LVSC stock options (in addition to the previously awarded 75,000 LVSC options) to vest in stages over three years.

- 52. The Term Sheet further provides that in the event Jacobs was terminated "Not For Cause," he would be entitled to one year of severance plus accelerated vesting of all his stock options with a one-year right to exercise the options post-termination.
- 53. According to defendants, in conjunction with the Sands China IPO, LVSC assigned and Sands China assumed, the obligations under the Term Sheet, thereby making LVSC and Sands China jointly and severally liable for fulfilling its terms.
 - Jacobs has performed all of his contractual obligations except where excused. 54.
- 55. LVSC and Sands China breached the Term Sheet by falsely terminating Jacobs for "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedlymanufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."
- 56. On September 24, 2010, Jacobs made proper demand upon LVSC to honor his right to exercise the remaining stock options he had been awarded in the company. LVSC rejected Jacobs' demand and, thus, further breached the Term Sheet and the stock option agreement by failing to honor the vesting and related provisions contained therein based on the pretext that Jacobs was terminated for "cause."
- LVSC and Sands China have wrongfully characterized Jacobs' termination as one 57. for "cause" in an effort to smear him and deprive him of what he is owed. As a direct and proximate result of the wrongful termination of Jacobs' employment and failure to honor the "Not For Cause" severance provisions contained in the Term Sheet, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.

SECOND CAUSE OF ACTION

(Breach of Contract – LVSC & Sands China)

- 58. Plaintiff incorporates all preceding and subsequent allegations as though fully set forth herein.
- 59. On or about May 11, 2010, LVSC caused Sands China to grant 2.5 million Sands China share options to Jacobs. Fifty percent of the options were to vest on January 1, 2011,

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and the other fifty percent was to vest on January 1, 2012. The grant is memorialized by a written agreement between Jacobs and Sands China.

- 60. Pursuant to the Term Sheet agreement between Jacobs and LVSC, which was later transferred and assumed by Sands China, Jacobs' stock options are subject to an accelerated vest in the event he is terminated "Not for Cause." The Term Sheet further provides Jacobs with a oneyear right to exercise the options post-termination.
 - 61. Jacobs has performed all his contractual obligations except where excused.
- 62. On September 24, 2010, Jacobs made proper demand upon LVSC and Sands China to honor his right to exercise the remaining 2.5 million stock options he had been awarded in Sands China. LVSC and Sands China rejected Jacobs' demand and, thus, further breached the Term Sheet and the Sands China share grant agreement by characterizing Jacobs' termination as being for "cause" when, in reality, the purported bases for Jacobs' termination, as identified in the belatedlymanufactured August 5, 2010 letter, are pretextual and in no way constitute "cause."
- LVSC and Sands China have wrongfully characterized Jacobs' termination as one 63. for "cause" in an effort to deprive him of contractual benefits to which he is otherwise entitled. As a direct and proximate result, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.

THIRD CAUSE OF ACTION

(Breach of the Implied Covenant of Good Faith and Fair Dealing – LVSC & Sands China)

- Plaintiff incorporates all preceding and subsequent allegations as though fully set 64. forth herein.
 - All contracts in Nevada contain an implied covenant of good faith and fair dealing. 65.
- 66. The conduct of LVSC described herein including, but not limited to, the improper and illegal demands made upon Jacobs by Adelson, Adelson's continual undermining of Jacobs' authority as the President and CEO of LVSC's Macau operations (and subsequently Sands China), and the wrongful characterization of Jacobs' termination as being for "cause," is unfaithful to the

purpose of the agreements between Jacobs and LVSC, which Sands China later assumed, and was not within the reasonable expectations of Jacobs.

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

FOURTH CAUSE OF ACTION

(Tortious Discharge in Violation of Public Policy - LVSC)

- 68. Plaintiff incorporates all preceding and subsequent allegations as though fully set forth herein.
- 69. LVSC retaliated against Jacobs by terminating his employment because he (i) objected to and refused to participate in the illegal conduct requested by Adelson, and (ii) attempted to engage in conduct that was required by law and favored by public policy. In so doing, LVSC tortiously discharged Jacobs in violation of public policy.
- 70. As a direct and proximate result of LVSC's tortious discharge, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.
- 71. LVSC's conduct, which was carried out and/or ratified by managerial level agents and employees, was done with malice, fraud and oppression, thereby entitling Jacobs to an award of punitive damages.

FIFTH CAUSE OF ACTION

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

- 72. Plaintiff incorporates all preceding and subsequent allegations as though fully set forth herein.
- 73. In an attempt to cover their tracks and distract from their improper activities, Adelson, LVSC and Sands China have waged a public relations campaign to smear and spread lies about Jacobs. One such instance is a press release made by Adelson, LVSC and Sands China after an adverse court ruling on March 15, 2011. Having been unable to obtain a procedural victory in Court, the Defendants undertook to smear Jacobs in the media, issuing a statement to Alexander Berzon, a reporter for the Wall Street Journal, which provided:

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

- 74. The Defendants' media campaign stating that: (1) Jacobs was justifiably fired "for cause" and (2) Jacobs had resorted to "outright lies and fabrications" were false and constitute defamation per se.
- 75. All of the offending statements made by Adelson concerning Jacobs and identified in Paragraph 71, *supra*, were (1) false and defamatory; (2) published to a third person or party for the express intent of republication to a worldwide audience; (3) maliciously published knowing their falsity and/or in reckless disregard of the truth thereof; (4) intended to and did in fact harm Jacobs' reputation and good name in his trade, business, profession, and customary corporate office; and (5) were of such a nature that the law presumes significant economic damages.
- 76. Adelson's malicious defamation of Jacobs was made in both his personal as well as his representative capacities as Chairman of the Board of LVSC and as Chairman of the Board of its affiliate, Sands China; both of which ratified and endorsed either explicitly or implicitly Adelson's malicious invective.
- 77. The comments and statements noted in Paragraph 71, *supra*, were made without justification or legal excuse, and were otherwise not privileged because they did not function as a necessary or useful step in the litigation process and did not otherwise serve its purposes.
- 78. As a direct and proximate result of Adelson, LVSC, and Sands China's defamation, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000. Moreover, Jacobs is entitled to the imposition of punitive damages against Adelson, LVSC, and Sands China, said imposition not being subject to any statutory limitations under NRS 42.005.

SIXTH CAUSE OF ACTION

(Tortious Discharge in Violation of Public Policy - Adelson)

79. Plaintiff incorporates all preceding and subsequent allegations as though fully set forth herein.

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- 80. Corporate officers, directors and/or agents are personally liable for tortious conduct which they undertake, including engaging in a tortious discharge in violation of public policy.
- Adelson retaliated against Jacobs by terminating his employment because Jacobs 81. (i) objected to and refused to participate in the illegal conduct demanded by Adelson, and (ii) attempted to engage in conduct favored by public policy. In so doing, Adelson tortiously discharged Jacobs in violation of public policy.
- 82. Adelson terminated Jacobs' employment with the intent to harm Jacobs for refusing to comply with Adelson's illegal and unethical demands.
- 83. Adelson terminated Jacobs' employment for his own personal benefit, and not for the benefit of Sands China, LVSC or their shareholders, to whom Adelson owes a fiduciary duty of loyalty.
- As a direct and proximate result of Adelson's tortious discharge, Jacobs has suffered 84. damages in an amount to be proven at trial but in excess of \$10,000.
- 85. Adelson's conduct was done with malice, fraud and oppression, thereby entitling Jacobs to an award of punitive damages.

SEVENTH CAUSE OF ACTION

(Aiding and Abetting Tortious Discharge in Violation of Public Policy – Sands China)

- 86. Plaintiff incorporates all preceding and subsequent allegations as though fully set forth herein.
- 87. LVSC and Sands China are separate legal entities, each capable of making agreements.
- LVSC wrongfully terminated Jacobs' employment because he (i) objected to and 88. refused to participate in the illegal conduct requested by Adelson, and (ii) attempted to engage in conduct that was required by law and favored by public policy. In so doing, LVSC tortiously discharged Jacobs in violation of public policy.
- 89. Sands China, through its agents, substantially assisted LVSC's tortious discharge of Jacobs by, among other things, making agreements with LVSC, carrying out overt acts to effectuate

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the termination and ratifying the termination for the benefit of Adelson and LVSC, and not for the benefit of Sands China's shareholders, to whom they owed a fiduciary duty of loyalty.

- 90. As a direct and proximate result of Sands China's conduct, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.
- 91. Sands China's conduct was undertaken with malice, fraud and oppression, thereby entitling Jacobs to an award of punitive damages.

EIGHTH CAUSE OF ACTION

(Civil Conspiracy Tortious Discharge in Violation of Public Policy- LVSC and Sands China)

- 92. Plaintiff incorporates all preceding and subsequent allegations as though fully set forth herein.
- 93. LVSC and Sands China are separate legal entities, each capable of making agreements.
- 94. LVSC and Sands China agreed, acted in concert and conspired to effectuate Jacobs' tortious discharge.
- 95. LVSC and Sands China intended to harm Jacobs for refusing to follow the illegal and improper demands of their common-chairman, Adelson.
- 96. As a direct and proximate result of LVSC's and Sands China's civil conspiracy, Jacobs has suffered damages in an amount to be proven at trial but in excess of \$10,000.
- 97. LVSC and Sands China's conduct was done with malice, fraud and oppression, thereby entitling Jacobs to an award of punitive damages.

PRAYER FOR RELIEF

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

- 1. For compensatory damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount to be proven at trial;
- 2. For punitive damages in excess of Ten Thousand Dollars (\$10,000.00), in an amount to be proven at trial;
 - 3. For pre-judgment and post-judgment interest, as allowed by law;

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- 4. For attorney fees and costs of suit incurred herein, as allowed by law, in an amount to be determined; and
 - 5. For such other and further relief as the Court may deem just and proper.

DATED this 22nd day of June, 2015.

PISANELLI BICE PLLC

By: /s/ Todd L. Bice

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Attorneys for Plaintiff Steven C. Jacobs

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC, and that on this 22nd day of June, 2015, I caused to be served via the Court's E-Filing system, true and correct copies of the above and foregoing **FOURTH AMENDED COMPLAINT** properly addressed to the following:

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/s/ Shannon Thomas
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